

Civil Service unions step up strike with Irish blockade

Civil Service unions yesterday called out customs officials in Northern Ireland and eight ports in Wales and the West of England in a move aimed at stopping 60 per cent of exports from the Irish

Republic. In the Commons Mrs Margaret Thatcher accused the unions of putting personal gain before the safety of the realm after their refusal to carry out vital jobs at Polaris bases.

Thatcher attack on Polaris ban

David Felton
Staff Reporters
Civil Service unions yesterday stepped up their five-week strike with strikes directed at imports from the Irish Republic. Mrs Margaret Thatcher made a stinging attack on the unions, accusing them of putting personal gain before the safety of the realm.



The Commons followed the Prime Minister's remarks with a vote to carry out a supply and maintenance strike on the Polaris submarine depot at Coulport, near Oban, Scotland. The unions say they have been told by senior Naval officials that forces personnel will be drafted in to do the work. The unions have threatened to make a similar attack on the 540,000 white-collar servants if that happens. Mrs Thatcher said the Government would "take all steps" to see that the country's deterrent remained effective.

Industrial action by the civil servants boosted the central Government's borrowing requirement to an estimated £13,000m in the year just ended compared with the £12,700m predicted by the Treasury in last year's Budget statement. The Treasury yesterday said the total cost of the action put at between £730m and £800m in March, but that it was reduced by offsetting measures amounting to more than £10m. Money originally provided for was not drawn by a series of departments.

Mr Anthony Christopher, general secretary of the Inland Revenue Staff Federation, said the union was not in a position to be processed by computer centres where staff members are on strike. Express Newspapers said the cheques had been sent to an Inland Revenue collection office in the City and it did not know how they had come into the possession of the union.

Stores, weapons supply, jetty staff and radiographers were asked to be on hand in case a nuclear operation was necessary. All those staff were asked to return to work but the unions declared they would stand firm.

Some reports suggested that the Navy technicians were fully qualified to carry out the work, including the arming of missiles. But Miss Margaret Platt, assistant general secretary of the Institute of Professional Civil Servants and convener of union action in the Ministry of Defence, said: "Our advice is that the Navy cannot rearm the submarine."

"We are by no means convinced that the Navy has the necessary expertise to deal with the situation which management says has arisen," she said. Rearming missiles was a specialised job which only civil servants could do.

The unions' published figures yesterday showed that more than 3,400 staff, in addition to the Irish blockade, are now on strike. Mr Anthony Christopher, general secretary of the Inland Revenue Staff Federation, said the strikers were bringing the collection of taxes to a halt.

"The situation in the collection service is bordering on the chaotic and management are completely out of control. There is going to be a hell of a job sorting out tax payments if this dispute ever ends," Mr Christopher added.

He said the unions were halving 40 per cent of PAYE and national insurance payments which should normally flow to the Exchequer, but the Inland Revenue said that between 75 per cent and 80 per cent of payments were still being processed and banked.

Lord Soames, Lord President and the minister responsible for the Civil Service, is expected to make a statement on the dispute to Parliament next week, probably on Wednesday, but Whitehall sources indicated that the Government was adamant that there would be no increase in the 7 per cent pay offer.

Sir Monty Flanniston, President of the Association of British Chambers of Commerce, said that he would be writing to Mrs Thatcher urging her to stand firm in the dispute and to keep the systems going, and he thought it scandalous that Naval officers were being placed in the position of trying to secure the country's defences.

The Government last night complain about the action, but were told to direct complaints to the British Government.

Union leaders were trying to restrain members working in the Departments of Employment and Health and Social Security from taking action, but the Government could face a "very severe escalation of the dispute" unless there were negotiations soon, Mr Graham said.

Many managers of government departments were "at the end of their tether trying to keep the systems going" and he thought it scandalous that Naval officers were being placed in the position of trying to secure the country's defences.



Lord Nicholas Windsor



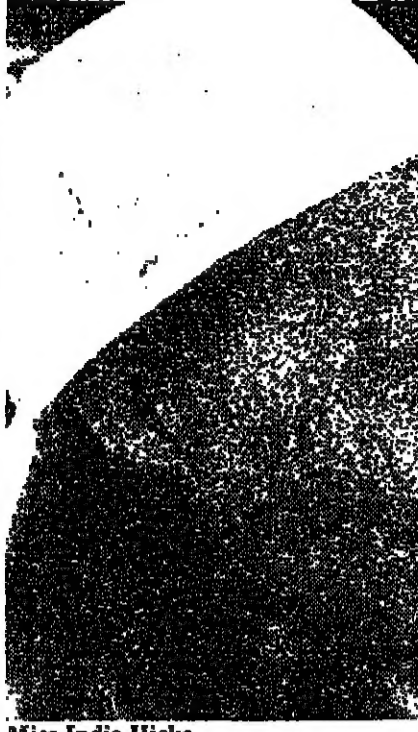
Edward van Cutsem



Miss Catherine Cameron



Miss Sarah Jane Hambleton



Miss India Hicks



Miss Clementine Hambro



Lady Sarah Armstrong-Jones

Attendants for royal bride are chosen

Buckingham Palace, announcing the names of bridesmaids and pages for the royal wedding at St Paul's Cathedral on July 29, said yesterday that there was no information about the possibility of President Reagan attending. Security plans are being

drawn up to provide protection for heads of state who will be invited. Among the bridesmaids and pages (above) will be Lady Sarah Armstrong-Jones, the daughter of Mr and the Hon Mrs Richard Hambro and a great-granddaughter of Sir Winston Churchill. The

wedding ring will be made from a nugget of Welsh gold used to make the wedding rings of the Queen and other members of the Royal Family. The ring will be made by the Royal Naval Cookery School at HMS Pembroke, Chatham (Report, page 3).

Democrats claim more than 43,500 recruits

By Fred Emery
Political Editor

More than 39,000 people applied to join the Social Democrats in the fortnight after their launching as a "fresh political party", and more than 4,000 were registered as non-member supporters.

Announcing a grand total of 43,500 recruits, Mr William Rodgers, one of the SDP's co-leaders, described them as "very, very good".

He said a geographical breakdown of membership would have to wait until the party's first recruiting figures, representing people who were "very committed".

He said a geographical breakdown of membership would have to wait until the party's first recruiting figures, representing people who were "very committed".

Mr Rodgers, holding a news conference at Westminster, placed on record for the first time that the party was giving no advice to members and supporters on how to vote in the next month's local elections. Hitherto the SDP has said only that it is neither nominating its own candidates nor endorsing others.

If individual SDP MPs recommended voting Liberal, as has Mr Richard Crossman, MP for

Liverpool, Tooting, that was entirely a personal matter and "carries no wider implications". He emphasized that no candidate calling himself a Social Democrat (as do the separate Social Democratic Alliance) would have SDP backing.

Mr Rodgers clearly did not wish to discuss the Social Democrats' postponement of joint discussions with the Liberals. He said he did not know when they would begin, but the question of "tactical" and "strategic" would be discussed. The closely held membership figures appeared to surprise even some of those closely involved.

It means that the party has already met its end-of-April target and is two thirds of the way to the 63,000 figure Mr Rodgers cited for the end of the year. Some SDP members prefer to aim at a range of 60,000 to 100,000.

Although Mr Mike Thomas, MP for Newcastle, East, and a former Conservative Party activist, reckoned that the SDP figures looked well against a figure of 120,000 to 150,000 which he cited for the Labour Party, the formal comparisons are somewhat less flattering.

The Labour Party claims 333,000 members, but admits this is only an estimate; the Conservatives produce an estimate of 1,500,000 members. The Liberals claim 150,000 to 200,000 members.

Social Democratic peers yesterday elected Lord Aylestone as their leader in the Lords. His deputy is Lord Perry of Walton, and the SDP Whip is Lord Kennet.

UK firms listed over S Africa pay

By Malcolm Brown

Major British companies are failing to give details of the pay and conditions of black workers in their South African operations.

Eighteen companies, which Whitehall believes have (or may have) reporting responsibility under the European Economic Community's voluntary code of conduct on the treatment of black workers, were named in a Department of Trade document yesterday.

The department said that the companies had not submitted reports covering the 12 months ending June 30 last year. More than 180 companies have complied by the deadline.

The department is quick in naming the companies. They are thought to be so-called Category A companies—those which have 50 per cent or more of the equity of a South African company employing 20 or more black Africans—or companies "whose status has not been

established in terms of reporting responsibility". The report, code of conduct for companies with interests in South Africa, says: "It should not be assumed that all the companies listed have a Category A (the most important) or indeed any reporting responsibilities under the code. Complete or partial disinvestment and the merger of companies has sometimes resulted either in no reporting responsibility, or a diminished reporting responsibility."

The list includes: companies such as Bowthorpe Holdings and the Rentokil Group which are in Category A; reports submitted in previous 12 months, but have not done so this time; one company, Union International, which has provided insufficient information; and one company, Thomas Wright, which was the subject of a recent takeover by the Tarmac Group. Tarmac has promised future reports on Witter's South African subsidiary.

Of the remaining 14 companies, 10 also failed to provide a report last year or provided insufficient information. The 13 companies are: British Vint, John Brown & Co, ETR, C and J Clark, Crada International, Callagher, Grundy (Teddington), Hickson & Welch (Holdings), Marley, Morson Crucible, Pritchard Services Group, and Sun Alliance and London Assurance.

Yesterday's report covers 154 companies—142 in Category A, 14 in Category B (those holding 10 to 49 per cent of a South African company), employing 20 or more black Africans, and 24 other companies. The 13 Category A companies which were analysed in detail (others arrived too late) employed about 118,000 blacks.

Of this total, about 1,000 were paid at rates described as "above the lower level of the subsistence data used" and 102,000 were paid at rates above the higher datum level.

Thousands camp out to see lift-off

From Michael Leasman
Cape Canaveral, April 9

Thousands of spectators were camping out along the Florida coast today to be sure of good viewing conditions for the launching of the first space shuttle shortly after dawn tomorrow. Excitement grew as the prospect for a lift-off on time at 6:50 am (12:50 pm BST) looked better and better.

An official said he thought the chance of a launch tomorrow was now 80 per cent. The reason for the high public interest is two fold. Not only is the Columbia the first vehicle able to enter and reenter space time and again—thus an example of brand-new technology—but it is also the first time America has put a man in space for six years.

Last night the service structure, a great gantry which had partly shielded the plump, delta-winged craft from view, was retracted. It left the shuttle and its cigar-shaped fuel tank and rocket burners open to view.

Commander John Young and Captain Robert Crippen, the crew, got out of bed at 2 am today, getting their bodies accustomed to the schedule they will follow tomorrow.

Launch programme, details and photographs will be available in the afternoon.

Biggs extradition order issued
Bridgetown, Barbados, April 9.—Britain won its battle to pay for an extradition order against Ronald Biggs, the great bank robber.

The Barbados chief magistrate issued the order and instructed that Mr Biggs, aged 38, be committed to prison until he is handed over to British authorities. Mr Biggs has 10 days to lodge an appeal, apply for a writ of habeas corpus or apply for bail—Reuters.

A bridge to property worldwide.

Tower Bridge stands out above all Thames bridges for its integrity of design and long tradition of bringing together people and property—between two banks.

Like the bridge, JLV opens its doors to worldwide trade and is a well established route to commercial and industrial property.

JLV provides a close linked worldwide network of professional people highly experienced in the following aspects of property:

- BUILDING MANAGEMENT
- PROPERTY INVESTMENT
- PERFORMANCE ANALYSIS
- PROJECT MANAGEMENT
- BUILDING SURVEYING
- DEVELOPMENT
- ACQUISITION
- INVESTMENT
- VALUATION
- AUCTIONS
- RESEARCH
- FINANCE

SALES and service at reason prices

James Lang Wootton
Chartered Surveyors
Real Estate Consultants

102 Mount Street, W1Y 6AS, Tel: 01-493 6040 Telex: 23636
33 King Street, EC2V 8EE, Tel: 01-606 4060 Telex: 885557

Anti-Wilson television plot' denied

alleged plot to issue a call for a new election in 1985 was disclosed on television. The "plot" was said to have been planned to make their live from the Albert Hall in London cutting into a television news broadcast. The man said to have been passing the idea denied being involved in any plot.

2 police cases

Two cases of alleged corruption London police officers are being investigated by a Scotland Yard squad. The allegations were first uncovered in a report by the Metropolitan Police Commissioner, Sir Ian Woodhouse, in a report to the Home Secretary.

24m tanker award

syndicates and companies said they would appeal against a High Court ruling that they pay £24m compensation to Shell for the loss of 179,000 tons of oil in the tanker Salem. The tanker was later sunk off Senegal after its oil had been delivered to Durban.

Safety measures at Windscale criticized

Three investigators appointed by the Health and Safety Executive have strongly criticized past safety arrangements at British Nuclear Fuels' reprocessing plant at Windscale, Cumbria.

Art dealers cleared

Thomas Agnew and Sons, Bond Street art dealers, were found "not guilty" of infringing the Auctions (Bidding Agreement) Act. The prosecution regarded it as a test case to clarify the law as it applies to partnership buying at auction. It is expected that there will be an appeal.

Bank unions clash

A dispute has broken out between the two main banking unions, the Clearing Bank Union (CUBU) and the Banking Insurance and Finance Union (BIFU). The two unions traded insults after BIFU's rejection of a 10 per cent pay offer which has been accepted by the CUBU.

Bomb at by-election

A 300lb bomb, packed in three milk churns, was discovered and defused in the Rosslea area of Fermanagh and South Tyrone as polling in the by-election there drew to a close. Spoils papers may decide the ballot.

Ten candidates for French presidency

Ten candidates have obtained the required number of sponsors to enter the French presidential elections on April 26. Mrs Thatcher's agreement on EEC farm prices and the Franco-German loan arranged with Herr Schmidt, the West German Chancellor, are expected to favour President Giscard d'Estaing's chances of reelection.

El Salvador killings

United States Embassy officials have confirmed reports that at least 20 people were massacred by Salvadoran security forces on Tuesday. Washington said there appeared to be a deliberate policy of murder by both left and right to destabilize El Salvador.

Chad: Wrecked capital city tries to adjust to peace.

Ottawa: MPs reach compromise on Canada's constitution dispute.

The Pilgrims' Airport: Special Report on the new international airport at Jeddah, Saudi Arabia.

Classified advertisements: Appointments, page 21; Motoring, 30; Personal, 30, 32; Property, 21.

Leader page, 17
Letters: On charity law, from the Reverend Dr Kenneth Black; film industry, from Mr Robert Bolt and others.
Leading articles: Public investment; Herr Schmidt state of nation speech; Customs blockade of Ireland.

General of the Army Omar Bradley; Lord Russell of Liverpool.
Arts, page 19
David Robinson reviews Tess and other new films in London; Irving Wardle and Ned Chaitler on The Seagull (Royal Court) and Camelot (Farnham); John Fardell on new ballets at Sadler's Wells; Paul Griffiths on the BBCSO's Ligeia at the Festival Hall.

Features, pages 8, 16
George Hill on the anomalies of charity law; a "Free Lebanon" Diary by Christopher Walker; Geraldine Norman on the new book by Robert Bolt and others.
Sport, pages 20, 21
Cricket: England players press for compulsory rest days in Test matches; "Priddy's" sports minister against idea of South African black list; Scottish rugby; British Open for eighth time.

Business, pages 22-25
Business News: Hopes of an end to recession saw equities on a firm at the close of the account. GITS unchanged. The FT Index closed 10.4 at 548.8.
Financial Editor: British profits let Bowerdown.
Business features: Alan Budd on the Treasury Committee report on the Budget; Kenneth Owen discusses the "thermal photography".

Home News 2-5
Overseas News 6-8
Appointments 18, 27
Diary 19
Engagements 19
Features 8, 16
Book Reviews 23-29
Law Report 22
Letters 17, 24
Material 20
Obituary 20
Parliament 20
Premium Bonds 18
Sale Rooms 18
Science 15
Sport 20, 21
TV & Radio 20
Theatres, etc 31
25 Years Ago 18
Weather 2

Shell wins £24m claim over Salem's lost oil

By Michael Bailey
Shipping Correspondent

Shell won its claim in the High Court yesterday for £24m compensation for last year's loss of 179,000 tons of oil in the tanker *Salem*.

Mr Justice Mustill granted the company a declaration that it was entitled to recover the money as a result of the oil's being "taken at sea", a risk covered by the relevant insurance policy.

Sixty-nine Lloyd's syndicates and 29 companies, about half the London marine insurance market, are involved and are expected to appeal. The decision that could affect the form of future insurance contracts for ships' cargoes.

The underwriters had argued that they were not responsible because they covered a voyage from Kuwait to Italy, whereas the ship did not make that voyage but was diverted to Durban, where she discharged. She was later sunk off Senegal. The judge described what happened as a "bold and essentially simple device by which a group of dishonest men had contrived to make away with the ship full of oil".

He ruled, however, that the voyage on which the 218,000-ton tanker embarked when she left Kuwait was a voyage for which she was insured. The oil was at risk, wherever the voyage ended.

The conspirators had deceived the Kuwaiti authorities, who would never have allowed the tanker to sail had they known what was planned. The judge said, and they had deceived South African bankers and financiers, who were unwitting victims of the plot.

The cost to the underwriters if the claim succeeds will be about £10m because Shell will have to hand to the underwriters £14m already received in compensation from the South African Oil purchasing agency. Lloyd's describe it as an average claim.

There has still been no claim by Mr Frederick Sudan, of Texas and Liberia, the owner, for compensation for loss of the ship. He is one of four men for whom warrants for arrest were issued to Scotland Yard by Guildhall magistrates last year.

The others are Captain Dimitrios Georgoulis, of Piraeus, Greece, master of the *Salem*, Mr Anton Reidel, company director, of Rotterdam, and Mr Johannes Jürgen Locks, company director, of Frankfurt.

Dutch police were understood to be interviewing Mr Reidel yesterday about what has been described as the biggest and most audacious fraud of its kind in maritime history.

Mr Rivlin said it had also been nonsense for Mr Symonds, aged 45, to suggest that one of the reporters, Mr Gareth Lloyd, had a history of mental disorder.

Mr Symonds, who was stationed at Camberwell, south London, has denied three charges of corruptly accepting a total of £150 from a former petty thief, Mr Michael Perry, in 1969 in return for helping him over an arrest. It is alleged that tape recordings were taken by the two reporters who were investigating police corruption.

Opening his address to the jury, Mr Symonds, who is conducting his own defence, said the prosecution had been defensive because they had very little to go on. "All they hope to do is to get a bit of suspicion and innuendo, and knit up some sort of a case. The prosecution are relying upon a criminal with 26 convictions."

The hearing continues on Monday.

Mr Symonds, who was stationed at Camberwell, south London, has denied three charges of corruptly accepting a total of £150 from a former petty thief, Mr Michael Perry, in 1969 in return for helping him over an arrest. It is alleged that tape recordings were taken by the two reporters who were investigating police corruption.

Opening his address to the jury, Mr Symonds, who is conducting his own defence, said the prosecution had been defensive because they had very little to go on. "All they hope to do is to get a bit of suspicion and innuendo, and knit up some sort of a case. The prosecution are relying upon a criminal with 26 convictions."

The hearing continues on Monday.

Mr Symonds, who was stationed at Camberwell, south London, has denied three charges of corruptly accepting a total of £150 from a former petty thief, Mr Michael Perry, in 1969 in return for helping him over an arrest. It is alleged that tape recordings were taken by the two reporters who were investigating police corruption.

Opening his address to the jury, Mr Symonds, who is conducting his own defence, said the prosecution had been defensive because they had very little to go on. "All they hope to do is to get a bit of suspicion and innuendo, and knit up some sort of a case. The prosecution are relying upon a criminal with 26 convictions."

The hearing continues on Monday.

Mr Symonds, who was stationed at Camberwell, south London, has denied three charges of corruptly accepting a total of £150 from a former petty thief, Mr Michael Perry, in 1969 in return for helping him over an arrest. It is alleged that tape recordings were taken by the two reporters who were investigating police corruption.

Opening his address to the jury, Mr Symonds, who is conducting his own defence, said the prosecution had been defensive because they had very little to go on. "All they hope to do is to get a bit of suspicion and innuendo, and knit up some sort of a case. The prosecution are relying upon a criminal with 26 convictions."

The hearing continues on Monday.

Mr Symonds, who was stationed at Camberwell, south London, has denied three charges of corruptly accepting a total of £150 from a former petty thief, Mr Michael Perry, in 1969 in return for helping him over an arrest. It is alleged that tape recordings were taken by the two reporters who were investigating police corruption.

Opening his address to the jury, Mr Symonds, who is conducting his own defence, said the prosecution had been defensive because they had very little to go on. "All they hope to do is to get a bit of suspicion and innuendo, and knit up some sort of a case. The prosecution are relying upon a criminal with 26 convictions."

Royal wedding security to allow for Reagan visit

By Staff Reporters

Security plans for the royal wedding at St Paul's Cathedral on July 29 are being drawn up to provide protection for a number of heads of state, possibly including President Reagan.

The likelihood of a visit by the President, who was shot and wounded last week, has been mentioned informally but will depend on his health in the summer.

Buckingham Palace said yesterday they had no information about the possibility of the President attending and pointed out that invitations would be sent only at the beginning of next month.

The palace also said that the Prince of Wales is due to meet the President and Mrs Reagan in Washington at the beginning of May while returning from his trip to Australia, New Zealand and Venezuela.

It was announced yesterday that a pupil aged five at a kindergarten where Lady Diana taught before her engagement to the Prince would be a bridesmaid.

Clementine Hambro, a great-granddaughter of Sir Winston Churchill, will be the youngest of five bridesmaids and two pages at the wedding. She is the daughter of Mr and Mrs Richard Hambro and a granddaughter of Lord and Lady Somers.

Other bridesmaids will be Lady Sarah Armstrong-Jones, aged 17, the daughter of Princess Margaret and Lord Snowdon, who was also a bridesmaid at the wedding of Prince Anne and Captain Mark Phillips.

Broadmoor man in freedom plea

By Lucy Hodges

A patient at Broadmoor special hospital who has claimed for eight years that he was wrongly convicted of violent sexual assault appealed yesterday to a mental health review tribunal to be released.

Mr John Walters, aged 34, who has said he wishes to change sex, was supported in his plea by Justice, the British section of the International Commission of Jurists.

A former Broadmoor psychologist testified that he was not a danger to the public, but Mr Walters's doctor disagreed. Mr Walters's lawyer said he had been transferred to Broadmoor 19 days before the end of a four-year prison sentence. Judgment was reserved.

From Richard Ford
Middlesbrough

A former detective sergeant in the Metropolitan Police had thrown as much "dirt" as possible throughout his trial for alleged corruption in the hope that some of it would stick, a jury was told yesterday.

Several people had been accused of dishonesty by the defendant, Mr John Symonds, including the late Lord Thomson of Fleet and two former reporters on *The Times* who investigated police corruption. Mr Geoffrey Rivlin, QC, said in his closing speech. The reporters had also been accused of acting as agents provocateurs.

"That is nonsense," he told the 12-man jury at Teesside Crown Court. "He is trying to make you believe that the two reporters got all this up. What a twisted situation that would be. They did not set it up."

Mr Rivlin said it had also been nonsense for Mr Symonds, aged 45, to suggest that one of the reporters, Mr Gareth Lloyd, had a history of mental disorder.

Mr Symonds, who was stationed at Camberwell, south London, has denied three charges of corruptly accepting a total of £150 from a former petty thief, Mr Michael Perry, in 1969 in return for helping him over an arrest. It is alleged that tape recordings were taken by the two reporters who were investigating police corruption.

Opening his address to the jury, Mr Symonds, who is conducting his own defence, said the prosecution had been defensive because they had very little to go on. "All they hope to do is to get a bit of suspicion and innuendo, and knit up some sort of a case. The prosecution are relying upon a criminal with 26 convictions."

The hearing continues on Monday.

Mr Symonds, who was stationed at Camberwell, south London, has denied three charges of corruptly accepting a total of £150 from a former petty thief, Mr Michael Perry, in 1969 in return for helping him over an arrest. It is alleged that tape recordings were taken by the two reporters who were investigating police corruption.

Opening his address to the jury, Mr Symonds, who is conducting his own defence, said the prosecution had been defensive because they had very little to go on. "All they hope to do is to get a bit of suspicion and innuendo, and knit up some sort of a case. The prosecution are relying upon a criminal with 26 convictions."

The hearing continues on Monday.

Mr Symonds, who was stationed at Camberwell, south London, has denied three charges of corruptly accepting a total of £150 from a former petty thief, Mr Michael Perry, in 1969 in return for helping him over an arrest. It is alleged that tape recordings were taken by the two reporters who were investigating police corruption.

Opening his address to the jury, Mr Symonds, who is conducting his own defence, said the prosecution had been defensive because they had very little to go on. "All they hope to do is to get a bit of suspicion and innuendo, and knit up some sort of a case. The prosecution are relying upon a criminal with 26 convictions."

The hearing continues on Monday.

Mr Symonds, who was stationed at Camberwell, south London, has denied three charges of corruptly accepting a total of £150 from a former petty thief, Mr Michael Perry, in 1969 in return for helping him over an arrest. It is alleged that tape recordings were taken by the two reporters who were investigating police corruption.

Opening his address to the jury, Mr Symonds, who is conducting his own defence, said the prosecution had been defensive because they had very little to go on. "All they hope to do is to get a bit of suspicion and innuendo, and knit up some sort of a case. The prosecution are relying upon a criminal with 26 convictions."

The hearing continues on Monday.

Mr Symonds, who was stationed at Camberwell, south London, has denied three charges of corruptly accepting a total of £150 from a former petty thief, Mr Michael Perry, in 1969 in return for helping him over an arrest. It is alleged that tape recordings were taken by the two reporters who were investigating police corruption.

Opening his address to the jury, Mr Symonds, who is conducting his own defence, said the prosecution had been defensive because they had very little to go on. "All they hope to do is to get a bit of suspicion and innuendo, and knit up some sort of a case. The prosecution are relying upon a criminal with 26 convictions."

Salmonella 'found in 79% of shop chickens'

Almost four-fifths of the 400 million chickens eaten in Britain each year contain salmonella, the most common cause of food poisoning, it was claimed yesterday by Mr Richard Gilbert, director of the Food Hygiene Laboratory.

He told a conference of health officers in London that there was an urgent need for basic hygiene techniques to be taught to all people handling food.

"Meat is responsible for 43 per cent of outbreaks, poultry for 42 per cent, rice 6 per cent, and milk and cream 4 per cent," Mr Gilbert said. "Salmonella is responsible for 85 per cent of all cases of food poisoning."

Almost half the sausages tested from a batch of 854 packs from one company were infected.

Britons ate an average of seven chickens a year, and examination of a hundred frozen chickens from shops found that 79 per cent contained salmonella.

Raw and cooked meats and poultry presented the main dangers, he said. Six hundred salmonella bacteria added to a chicken kept in a warm room had multiplied to almost 30 million within 24 hours.

Cooking caution: Salmonella poisoning usually results from a food that either has not been thoroughly cooked or kept too long without being sufficiently chilled (a Medical Correspondent writes). Frozen poultry, particularly, should be thoroughly thawed and well cooked.

£1m study of science subjects in schools

By Diana Geddes
Education Correspondent

Up to £1m will be spent over the next five years on the most ambitious analysis of the science curriculum in secondary schools, the Schools Council said yesterday.

The Government, in its recent report on the school curriculum, pointed to the increasing importance of science and technology and to the need to develop courses incorporating elements of the three main sciences and suited to all children up to the age of 16.

The Schools Council said its work was intended to be complementary to that of the Government. Its project was designed to develop a system of science courses for pupils of all abilities, giving them at least a grounding in science during their compulsory school years.

Among the 13 aims identified for the project are: to consider ways of introducing more technology into science courses; to suggest how the three sciences, biology, physics, and chemistry, can be taught to all pupils without dominating the curriculum; and to suggest how science education in schools can be linked to the needs of further and higher education and employment.

The Schools Council, which is funded jointly by local authorities and the Government, is providing about £500,000 for the project. A further £10,000 is being provided by the Association of Science Education, representing 17,000 science teachers, whose members will be closely involved in the work.

Financial support will also be sought from other agencies, including the Department of Industry and charitable organizations, which according to the Schools Council could bring the total funding up to nearly £1m. Work is due to begin this summer.

The Schools Council's own report on the curriculum, which was published yesterday, received a warm welcome from teachers' organizations, employers and parents.

The Practical Curriculum: Schools Council working paper 70 (Methuen Educational, £3.50).

ing the curriculum; and to suggest how science education in schools can be linked to the needs of further and higher education and employment.

The Schools Council, which is funded jointly by local authorities and the Government, is providing about £500,000 for the project. A further £10,000 is being provided by the Association of Science Education, representing 17,000 science teachers, whose members will be closely involved in the work.

Financial support will also be sought from other agencies, including the Department of Industry and charitable organizations, which according to the Schools Council could bring the total funding up to nearly £1m. Work is due to begin this summer.

The Schools Council's own report on the curriculum, which was published yesterday, received a warm welcome from teachers' organizations, employers and parents.

The Practical Curriculum: Schools Council working paper 70 (Methuen Educational, £3.50).

The Schools Council's own report on the curriculum, which was published yesterday, received a warm welcome from teachers' organizations, employers and parents.

The Practical Curriculum: Schools Council working paper 70 (Methuen Educational, £3.50).

The Schools Council's own report on the curriculum, which was published yesterday, received a warm welcome from teachers' organizations, employers and parents.

The Practical Curriculum: Schools Council working paper 70 (Methuen Educational, £3.50).

The Schools Council's own report on the curriculum, which was published yesterday, received a warm welcome from teachers' organizations, employers and parents.

The Practical Curriculum: Schools Council working paper 70 (Methuen Educational, £3.50).

The Schools Council's own report on the curriculum, which was published yesterday, received a warm welcome from teachers' organizations, employers and parents.

The Practical Curriculum: Schools Council working paper 70 (Methuen Educational, £3.50).

The Schools Council's own report on the curriculum, which was published yesterday, received a warm welcome from teachers' organizations, employers and parents.

The Practical Curriculum: Schools Council working paper 70 (Methuen Educational, £3.50).

The Schools Council's own report on the curriculum, which was published yesterday, received a warm welcome from teachers' organizations, employers and parents.

The Practical Curriculum: Schools Council working paper 70 (Methuen Educational, £3.50).

The Schools Council's own report on the curriculum, which was published yesterday, received a warm welcome from teachers' organizations, employers and parents.

The Practical Curriculum: Schools Council working paper 70 (Methuen Educational, £3.50).

The Schools Council's own report on the curriculum, which was published yesterday, received a warm welcome from teachers' organizations, employers and parents.

The Practical Curriculum: Schools Council working paper 70 (Methuen Educational, £3.50).

The Schools Council's own report on the curriculum, which was published yesterday, received a warm welcome from teachers' organizations, employers and parents.

The Practical Curriculum: Schools Council working paper 70 (Methuen Educational, £3.50).

The Schools Council's own report on the curriculum, which was published yesterday, received a warm welcome from teachers' organizations, employers and parents.

The Practical Curriculum: Schools Council working paper 70 (Methuen Educational, £3.50).

The Schools Council's own report on the curriculum, which was published yesterday, received a warm welcome from teachers' organizations, employers and parents.

The Practical Curriculum: Schools Council working paper 70 (Methuen Educational, £3.50).

The Schools Council's own report on the curriculum, which was published yesterday, received a warm welcome from teachers' organizations, employers and parents.

The Practical Curriculum: Schools Council working paper 70 (Methuen Educational, £3.50).

The Schools Council's own report on the curriculum, which was published yesterday, received a warm welcome from teachers' organizations, employers and parents.

The Practical Curriculum: Schools Council working paper 70 (Methuen Educational, £3.50).

The Schools Council's own report on the curriculum, which was published yesterday, received a warm welcome from teachers' organizations, employers and parents.

The Practical Curriculum: Schools Council working paper 70 (Methuen Educational, £3.50).

The Schools Council's own report on the curriculum, which was published yesterday, received a warm welcome from teachers' organizations, employers and parents.



Brixton escaper: Police hunting James Moody (above) who escaped from Brixton prison in London last December, believe he may be hiding on the South Coast in a caravan or chalet (Our Crime Reporter writes). Mr Moody is wanted in connection with three armed robberies involving £900,000. He is 6ft 1in tall and Police say he is a keen fit and scuba diving strong aversion to smoking and dogs.

Hooliganism may close the Tubes at 10 pm

By Our Transport Correspondent

Violence by hooligans against London Transport staff has become so serious that the entire Underground network may be closed from 10 pm each day, Mr Charles Cope, managing director of the Underground, said yesterday.

Drunken teenagers and football supporters are among the main offenders, and incidents probably running into thou-

sands each year. Those serious enough for court action rose from about 500 to nearly 800 in the three years to 1980.

"The public must understand that staff do not come on duty to be thumped," Mr Cope said. "The danger is that unless hooliganism is checked, either management will have to enforce a shutdown or staff will do it themselves by walking out."

Trouble spots include South-

east, in north London, where unruly youngsters from a dance hall caused the Tube station to be shut and buses diverted round the town centre last Saturday with management agreement.

At Neasden the station was partly closed for three weeks last spring after a pitched battle between rival gangs of youths

Check-in

FOR THE BEST NEWS IN TRAVEL

62"

34"

New Sleeperseats in CROWN

Wider seating in SUPER Club

Introducing two new measures to benefit businessmen flying to America.

Passenger comfort is better than ever on our 747 flights across the Atlantic. Thanks to two recent improvements.

With our 'Crown' First Class service, you can indulge in a long, glorious sleep on a luxurious Sleeperseat. Sleeperseats recline to a near-horizontal position enabling you just to lie back and drift off.

We're also making your working hours more enjoyable by raising the high standard of our cuisine. And when you fly Crown, you can now check in at the Concorde Check-in desk, terminal 3.

There's more room for Club passengers, too. The seats* line up in a spacious 2-2-2 formation and when adjusted become the widest airline seats in the world. All drinks are on the house, of course. As are the headsets for the in-flight film.

If you're thinking these added comforts are going to cost you more than the equivalent services from our competitors, then that's another reason to relax. They won't.

It's all part of the preferential service you get when you fly British Airways across the Atlantic.

British airways

We'll take more care of you.

Cheap bus tickets for firms

By Our Transport Correspondent

Cheap bus tickets supplied by employers to staff will be available in many parts of Britain from today.

Similar to the London Traveller operation launched last year by London Transport,

the scheme allows companies to buy tickets in bulk at a generous discount with additional tax advantages to hand on to staff.

Tickets will be available initially on National Bus Company routes in Oxford, Maidenhead, Slough, Aylesbury, Luton, Wycombe and Gatwick.

Report on complaints broke promise, Police Federation says

By Peter Evans
Home Affairs Correspondent

An accusation that the unpublished report by the Home Office Research Unit on the handling of police complaints, disclosed by *The Times*, breached an undertaking given by a senior civil servant, now in the Cabinet Office, was made yesterday by the Police Federation.

The civil servant is Mr Wilfred Hyde, an assistant secretary in the Cabinet Office secretariat. "The research is not intended to examine the complaints procedure itself," he wrote in a letter to the federation dated July 7, 1978. He was then at the Home Office.

The researchers, Mr Hyde wrote, would not be considering the conduct of individual officers and had undertaken that nothing in their final report would enable specific incidents, individual police officers, or particular police stations to be identified. "The Commissioner of Police (Sir David McNeel) will be given an opportunity to see the report in draft to satisfy himself on this point."

The research would not be examining the way complaints investigations were handled, so the final report would not comment on any aspect of the complaints procedure.

"We do not consider that the report will in any way conflict with the triennial review of the Police Complaints Board," Mr Hyde added.

The review has in fact, since recommended reforms in the way complaints of assault by the police are investigated.

Mr James Jardine, chairman of the Police Federation, said yesterday: "On any fair assessment, the report summarised in *The Times* shows that the researchers have breached all those undertakings." Further, in his statement on Wednesday, he had not seen the report.

The report went into details of the way investigations of specific cases were handled and said there were serious defects in the system.

Neither Mr Jardine nor Chief Supt John Keyte, secretary of the Superintendents' Association, had immediately recognised the report as the one about which assurances were given in 1978. That is why they were taken by surprise when it appeared in *The Times*.

Mr Jardine said the report which had emerged was completely different from the terms of reference "we understood would govern the research."

It emerged yesterday that although the Home Office has described the report as "uncompleted", the first two stages were apparently complete in 1978, the year it said the research began.

Mr Jardine said that in that year the Police Federation was asked for its views on the preparation of a third stage of the research project into relations between the police and the ethnic minorities.

That third stage was to have been an examination of all the circumstances in which members of ethnic minorities made complaints against the police.

The Home Office yesterday would not add to its carefully worded comment of the day before, but enough has emerged to indicate how the controversy is inflaming the main issue about the police today, their public accountability.

Government accepts plan for social survey cuts

By Pat Healy
Social Services Correspondent

The Government has accepted the main recommendations of a forthcoming Rayner report on cutting social surveys, despite growing protests from MPs, civil servants and academics. The Government response will be published in a 10-page White Paper, with the report, after the Easter recess.

The report will cover studies of each government department, compiled by teams under the direction of Sir Derek Rayner, the Prime Minister's adviser on efficiency in Whitehall.

The main concern focuses on the future of the social survey division of the Office of Population Censuses and Surveys. The Rayner report throws considerable doubt on the future of the General Household Survey, which now costs £905,000 a year and provides continuous data on the circumstances of 15,000 British households.

The report says: "It is the only regular source of information about the relationship between a wide range of social and economic variables (attitudes to pay of public sector workers, for example, or the family circumstances of the unemployed or the purchase of property by sitting tenants)".

The report accepts that axing the survey would be likely to create an outcry that the Government does not want to know about the well-being of its citizens. It advises, therefore, that it should be continued, but with a smaller sample and a limit on the cost of not more than £550,000 a year.



Parallel appointments: Lieutenant-General Alan Raye (left), who became Director-General of the Army Medical Services on Sunday, with Air Marshal David Atkinson, who takes over as Director-General of Medical Services with the RAF next Wednesday. Both are aged 56 and were medical students together at Edinburgh University, where they knew each other well. They graduated in 1948.

Lords ruling undermines search for rogue cassettes

Legal snag to fighting video pirate

By Stewart Tendler
Crime Reporter

The film, *Superman II*, opened last night in London with considerable publicity, but some of the profits may have been lost already in yet another coup by the video-cassette pirates.

The cassette of the original *Superman* film, although released some time ago, has yet to be distributed in Britain, let alone a cassette of the new film. However, pirated copies have been available in London for at least a fortnight.

At the beginning of this week film industry investigators raided four London dealers, seized a thousand cassettes and discovered copies of every film showing in the West End cinemas. No one was really surprised. The pirate industry continues to grow spectacularly.

It is against that background that five Law Lords this week delivered a judgment, which in the short term at least, is likely to do nothing but contribute to that growth.

Pirating is a scourge in both

the film and record industries and for some time the battle against the pirates has been waged under the copyright laws.

Investigators use a High Court order known as an "Anton Piller" order to search and seize the premises of dealers. It is an effective weapon which usually results in the destruction of the business, and 40 raids have been carried out so far this year.

The orders have an additional function, and it is that aspect of their use that has been negated by the Lords. Under the order dealers were required to disclose the source of the cassettes, but the judges decided, in examining an appeal, that dealers did not have to make disclosures because they could thus incriminate themselves.

No one in the film and record industries has so far commented on the effects of the decision, but the seizure of the master tapes from which copies are made is crucial to fighting the pirates. To deal with the dealer but not the source is

rather like arresting a street drug pusher but requiring investigation into the fitter.

The comparison is not fanciful as it seems. There is evidence that professional gangs are investing in the video boom and piracy in this still constitutes theft.

The film industry is totally desolated by the judgment. The Law Lords' means make clear that change in the law are inevitable.

It is felt the judgment gives the Government a *petus* to act, either by amending a Bill now before Parliament or putting forward proposals. The Department of Trade has been promising Green Paper on the issue some months.

In the meantime the industry's 27 full and part-time investigators work on several cases the Anton Piller orders have led them to without involving disclosure number of dealers have found with banks of 15 or copying machines.

D'Oyly Carte appeals for £1m to protect future

By Our Music Reporter

The D'Oyly Carte Opera Company must find £200,000 by the end of this month or it will be forced to close, it was announced yesterday when the organization launched an appeal for £1m.

By the end of its present tour on July 18 the company expects to have a deficit of £20,000 and the prospect of future losses. It cannot operate as a commercial company unless it is assured of substantial extra funds.

Dame Bridget D'Oyly Carte, chairman of the D'Oyly Carte Opera Trust, said: "We are not in a position to offer our artists and staff a contract. Nor are we able to sign contracts with the theatres we had planned to play in the autumn."

Although D'Oyly Carte has been refused a grant by the Arts Council, which is not happy with the company's standards and policies, the Greater London Council has come to its aid, with a grant to the company of £35,000 for two seasons in London this year.

While the £200,000 is the minimum requirement to keep the company going for the present financial year, Mr Peter Riley, deputy general manager, said the company was aiming for £1m to prevent another financial crisis next year. "We want to make positive plans, especially with regard to new productions," he said.

The Friends of D'Oyly Carte

had been formed in Britain and North America. It was hoped that those organizations would set up local committees to raise money.

Mr Riley said many supporters had written urging the company to start an appeal. Officers of help had also come from amateur groups which perform Gilbert and Sullivan works. Performers in the company are writing letters to potential sponsors suggesting ways in which help could be provided.

GLC grants: The GLC is also aiding organizations that have suffered from the withdrawal of Arts Council grants.

Among grants of £50,650 to cultural bodies which were announced yesterday, the council is giving £75,000 to the Old Vic Theatre, an increase of more than 25 per cent on last year.

The Old Vic said yesterday: "We are extremely pleased and grateful. The GLC obviously feels the Old Vic is well worth supporting." Its survival plans are likely to be announced soon.

The Shaw Theatre Company, which has suspended its operations, has been offered £25,000, an increase of 56 per cent on last year. The GLC has insisted that the company must present a programme of productions for 34 weeks this year.

The increase will help to keep the Shaw Theatre, in Euston Road, available for the National Youth Theatre.

MP wins libel case over drug

Mr Jack Ashley, chairman of the disabled, was given public apology yesterday for allegations that he acted less than demanding suspension of the drug Debendox and moving greater public awareness of the possible risks child vaccination.

The apology, with its closed damages and legal costs in a High Court judgement of Mr Ashley's action against the publisher *World Medicine* and Dr J Cunningham.

Mr Desmond Browne, Mr Ashley, Labour MP Stoke-on-Trent, South, told Justice Phillips that he asked the Secretary of State Social Services to suspend use of Debendox until doctors about its safety had been allayed or confirmed.

In an open letter to Ashley published in *World Medicine* last April, Cunningham accused the MP of latching on to every rumour and demanding immediate government action without thought for the harm he might through the mental agony mothers who had taken drug, Mr Browne said.

The letter was a "misrepresentation of the truth a travesty of Mr Ashley's virtues," he added. Mr Andrew Pugh, for *Medical Journals* and Dr Cunningham, apologized to Ashley.

Libel damages for head in girl 'bullying' case

Mr James McDonald, headmaster of Cumberland Comprehensive School, Plaistow, east London, accepted undisclosed sums in the High Court in London yesterday in settlement of three libel actions over publicity about a girl pupil alleged to have been bullied because of her "poor" accent.

Mr McDonald received "substantial" damages from London Broadcasting Company, an "appropriate" sum from the *Daily Telegraph* and "suitable" damages from Express Newspapers. Costs in each case were awarded to Mr McDonald, of Lechmere Avenue, Chigwell, Essex.

Mr Justice Phillips agreed that the record of Mr McDonald's action should be withdrawn.

Conference on Catholics, crime and deviants

By Clifford Longley
Religious Affairs Correspondent

One of the most embarrassing skeletons in anybody's cupboard is to be taken out and examined at a conference in London tomorrow, when a group of experts will discuss why such a high proportion of criminals, deviants and inadequates are Roman Catholics.

The conference was called after *The Times* publicized a chapter in a book by Father Terence Tanser, a specialist in drug rehabilitation work, which set out the matter in startling terms.

Mr Hugh Kay, editor of the Jesuit magazine, *The Month*, approached a number of people with expert knowledge in the field, and his findings more than confirm Father Tanser's observations. He has produced a background paper which does not mince words, and he will

chair the conference. Mr Kay, a religious writer and broadcaster, also has long experience in prison visiting and after-care.

His introductory paper collates the opinions and impressions of the professions he has consulted.

Among alcoholics, drug addicts, night-club "strippers", members of single sex clubs, male and female prostitutes and their clients, people living below the poverty line, patients in psychiatric hospitals, and offenders brought before the courts, Roman Catholics were present in numbers far out of proportion to their 10 to 12 per cent share of the general population.

Support for that conclusion comes from two typical hostels for alcoholics, where Roman Catholics made up 33 per cent and 41 per cent of the residents. A survey of 51 drug addicts conducted by the Life-Line

Trust found that 27 had been reared as Roman Catholics. It appears that a Roman Catholic is four to five times more likely to become addicted to drink or drugs than someone from a different background.

"The impressions of other observers serve to confirm that, broadly speaking, 25 per cent of the prison population are Catholics," Mr Kay states.

Catholics account for possibly half the junkies in London. Although those working in the field have been aware for many years that they came across an unusual number of Roman Catholics, he says: "The problem of crime and addiction among Catholics has been largely swept under the carpet."

The search for a radical solution has been frustrated by the lack of scientific data, and even now, in preparing for the

conference, he was able to gather only "an aggregate of painful impressions." He had been unable to collect the well organized evidence he sought.

The conference, though unofficial, is being watched with sympathetic interest by the authorities of the Roman Catholic Church in England. The Right Rev Augustine Harris, Roman Catholic Bishop of Middlesbrough and President of the Social Welfare Commission of the Bishop's Conference, said he wished it well.

"The church must always train people to have a social conscience, and religion is not just a private matter," he commented. "I hope this conference indicates how the church can better convey the Gospel to those who are underprivileged or disadvantaged, so that they may find a positive role in the total community."

napf

May 7th, 8th, 9th, Metropole Hotel, Birmingham

TALKING ABOUT PENSIONS...



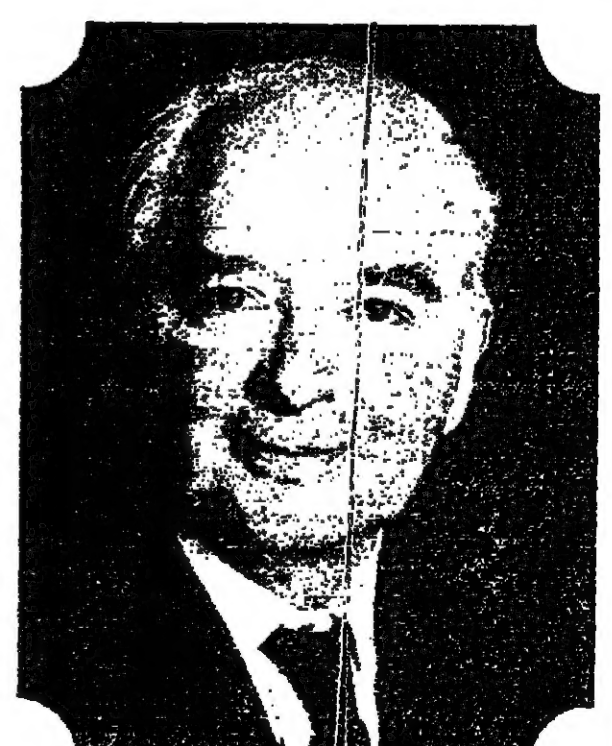
THE CHANCELLOR of the Exchequer, Sir Geoffrey Howe, will be the opening speaker at the Conference on Thursday 7th May and will discuss the role played by the pension fund movement in the economy.



THE PARLIAMENTARY Under Secretary of State for Social Security, Mrs Lynda Chalker, will wind up the Conference on Saturday 9th May and will speak on Resources in Later Life.



SIR HAROLD WILSON will be the special lunchtime guest speaker on Friday 8th May and can be expected to follow up the report by his Committee on the Functioning of Financial Institutions published last year.



THE CHAIRMAN of the Occupational Pensions Board, Lord Brimelow, will speak on the Board's report on protection of Occupational Pension Rights and the expectations of those who change employment.

The National Association of Pension Funds' annual conference is wide ranging. Concurrent sessions will include a debate on the question of increases to pensions and deferred pensions in the private sector. There will be a session on pre-retirement counselling. There will be discussion on Member Participation in the running of funds; and a debate on the maintenance of the real value of pensions in retirement. Problems on investment will be considered — with sessions on the current and future role of stockbrokers and on the desirability or otherwise of the issue of index linked bonds. Leaders in the pensions movement — representing all disciplines — will take part in all these discussions. There will be a separate session on the problem of communications by and within the pensions movement led by the Director General. And, during the conference, awards will be made to those pension funds who have been most successful in communicating to their members — the Golden Pen Awards.

For registration and details please write to Heather Webster, National Association of Pension Funds, Sunley House, Bedford Park, Croydon, CR0 0XF. Telephone: 01-681 2017.

هكذا من الأصل

Lords rule out court action on printing workers' tax amnesty

By John Witherow
The House of Lords ruled yesterday that small businesses cannot bring an action against the Inland Revenue for not taxing about 6,000 Fleet Street freelance newspaper workers.

The unanimous decision by five Law Lords reversed a Court of Appeal judgment last year which said that the National Federation of Self-Employed and Small Businesses was entitled to take action.

The federation, which has about 50,000 members, had alleged that the Revenue's decision to grant an amnesty to the casual printing workers was illegal and unfair to other taxpayers.

It therefore sought an order mandating the Revenue to collect taxes due before April 1977, estimated at about £1m a year.

The amnesty was granted to the printing workers on condition that they registered with offices and submitted full and accurate returns. It led to the disruption of several newspapers two years ago when the "advice" was given to the men on the streets.

It was said that the workers had been signing for pay packets with fictional names such as "Mickey Mouse of 101 Boulevard Hollywood" and "Sir Gordon Richards of 10 Downing Street".

The Revenue appealed and the Lords ruled yesterday that a federation did not have sufficient interest to ask for the tax. It also decided that the federation should pay costs.

Lord Wilberforce, the senior law Lord, said in his judgment that the Revenue had acted "genuinely in the care of a management of taxes, and has no resemblance to any of case where the court

ought, at the instance of the taxpayer, to intervene", he said.

"To do so would involve permitting a taxpayer or a group of taxpayers to call in question the exercise of management powers and involve the court itself in a management exercise," Lord Scarman said.

Lord Scarman said it was essential for courts to have the power to curb attempts to start a court action if they thought the insurer did not have sufficient interest in the matter. That power enabled courts to prevent abuse of the system by busybodies, cranks and other mischief-makers.

Lord Roskill said he could see no dereliction of duty by the Revenue, or any suggestion of improper or unlawful conduct. On the contrary, what it did seemed to have been a matter of administrative common sense.

"Instead of wasting public time and money in seeking to collect taxes from persons and whose liability was unknown and whose ability to pay was therefore equally unknown, they made an arrangement which enabled taxes... to be collectable in the future", he said.

Mr David Dexter, chairman of the federation, said afterwards: "I think it is a very sad day for small business people and schedule D taxpayers, which is the category for self-employed people."

They seem to think that 50,000 taxpayers do not have sufficient standing to bring the action. So how many people can?

"Basically we are up against discrimination. The Fleet Street workers got their amnesty. Yet the self-employed are subjected to 10 times the number of tax investigations as ordinary employed people."

Lord Widgery, then the Lord Chief Justice, sitting with Mr Justice Griffiths, said then that the federation had not shown legal standing to ask for the order.

Mr Dexter estimated that the federation had spent about £8,000 on the case but he was unable to judge the court costs.

Law Report, page 22

Reduction to 18 urged in consent age for men

By a Staff Reporter

The minimum age for homosexual relations between consenting males in private should be cut from 21 to 18, a Home Office committee recommended yesterday. But the age of consent for sexual intercourse for a girl should remain at 16.

The report, from the Policy Advisory Committee on Sexual Offences, argues for a lowering of the age for homosexual relations on the grounds that 18 is the age of majority, and that by then the "overwhelming majority" of young men are mature enough to decide their reactions to homosexual advances.

It would also benefit homosexuals aged between 18 and 21 who may need advice and help but are deterred by fear of having to admit criminal offences.

In a minority report five of the committee's 15 members, all women, argue that the minimum age should be cut to 16. The need for counselling on difficulties of sexual identity is much greater in the 16 to 18 age group, they say, and the law should not discriminate between male and female with out strong reason.

The Police Federation said yesterday that it was strongly opposed to the proposal for a cut to 16. "It fails to take account of the fact that many young people of this age are susceptible to pressure while living away from home, probably for the first time, which imposes a strain on people of immature years", it said in a statement.

While accepting that private homosexual conduct between consenting males over the age of 21 ought not to be a criminal offence, the federation said it deplores the way in which official thinking on the subject appears to be surrendering to the pressure groups who try to persuade society that homosexual conduct is perfectly normal.

It said the proposal succeeds no doubt it will only be a matter of time before the National Council for Civil Liberties achieves its goal of reducing the age of consent in all sexual matters to 14 years. The Federation believes that this is not what the public desires.



Paintings being hung yesterday for the Royal Academy exhibition opening on May 16.

Jehovah's Witness chooses jail

From Our Correspondent

Cardiff
A father of nine children chose to go to prison for seven days yesterday rather than pay a fine for failing to send his son aged 15 to school, where he alleged sex-books contained filthy language.

David Grigsby, aged 42, an unemployed electrician, of Arran Street, Cardiff, was fined £25 by magistrates in February. At a fines default court yesterday he said that because of his religious beliefs he would not pay the fine.

Mr Grigsby, a Jehovah's Witness, withheld his son, Mark, from lessons at Howardian School, because of four-letter words in two books, *A Kestrel for a Knave*, and *John Steinbeck's Of Mice and Men*.

Five north-west seaports vie to become gas field boom towns

From John Chartres

Manchester

The hopes of five seaports on the north-west coast of England of becoming a "mini Aberdeen", providing services for the recently discovered Morecambe Bay gas field, should be resolved in three months.

That was disclosed yesterday when British Gas delivered a progress report on the £1,000m project, designed to produce up to 10 per cent of the nation's gas requirements during peak winter periods from 1984.

There is intense local and regional political interest in which port or ports will be selected to provide services during the construction period and later become a maintenance base.

Several thousand jobs are at stake in spin-off activities such as the provision and maintenance of helicopters and supply ships, repair facilities, and supply of the many large cranes demanded and expected by all offshore workers on oil or gas rigs.

Mr James McHugh, member of the British Gas Corporation responsible for production, said in Manchester that a detailed technical and economic study was being carried out on a number of ports. It would be

At stake are thousands of jobs in providing and maintaining helicopters and supply ships for a £1,000m project and large steaks for offshore rig workers.

Some months before a decision was taken.

In any case the suitability of the supply bases might have to be broken down into the three phases of construction, development and finally long-term maintenance.

The contenders for the privilege, ports which had "thrown their hats into the ring", stretched from North Wales to West Cumbria. Mr McHugh said. The three main contenders are thought to be Liverpool, Fleetwood and Barrow-in-Furness.

Liverpool has a special claim because of its under-used maritime facilities and its high unemployment rate. Its case for becoming the long-term maintenance base is being pressed hard by County Councillor Neville Goldrein, leader of the Conservative group on Merseyside council, in the local

authority election campaign.

Almost equal claims for consideration on grounds of job creation are being advanced from Barrow-in-Furness and from Workington and Whitehaven.

The visions of Liverpool, or indeed Workington, becoming boom towns on the Aberdeen pattern have to be restrained because the British Gas development, 25 miles off Blackpool, will involve only a single gas field, although employing six or more production rigs.

British Gas spokesmen said that 500 people would be employed during the construction period, which includes setting up rigs using a new "slant-drilling" technique, laying a pipeline to the shore and a further 31-mile pipeline to a point near Kirkby Lonsdale, where the Morecambe Bay gas will be mixed with other supplies coming down from the northern North Sea.

The requirements for the port selected as a maintenance base would involve a number of factors, Mr McHugh said. They would include the skills and facilities available, as well as tidal conditions that would enable service vessels to move out quickly at any time of day or night.

Doctors step up their car seat belt campaign

By Michael Bailey

Transport Correspondent

Pressure on Parliament to introduce the compulsory wearing of seat belts is being increased by the Royal College of Surgeons and other medical institutions.

The issue is due to be debated next week but as the Transport Bill is to be gutted a decision could be delayed until later in the spring.

The Prime Minister and Mr Norman Fowler, Secretary of State for Transport, have indicated it is an issue for a free vote.

Mr Fowler has refused to incorporate a clause in the Bill despite growing pressure from MPs. More than a hundred have signed an amendment proposed by Mr David Ennals, shadow spokesman on health and social security, although it is not known whether it will be reached according to next week's timetable.

The medical campaign is led by the Medical Commission on Accident Prevention, whose chairman, Professor Anthony Harding Raines, professor of surgery at Charing Cross Hospital, said: "There is concerted pressure by the medical profession. All the colleges and faculties are united. Compulsory seat belts could prevent a terrible waste of National Health Service resources."

The Royal Society for the Prevention of Accidents, also supporting the campaign, estimates that seven hundred to a thousand deaths and 11,000 serious injuries could be prevented by seat belts. The cost to taxpayers is estimated at between £120m and £150m a year.

Other supporting organisations include the Automobile Association, the Association of Chief Police Officers and the Institute of Road Safety Officers. Against them is a strong libertarian sentiment to which governments have hitherto bowed during nine attempts in 10 years through private members' Bills to make seat belts compulsory.

Compulsion is regarded as an unwarranted intrusion on individual liberty, and voluntary measures are preferred. But only 15 to 20 per cent of car users would use seat belts voluntarily, the professor's team believes, and children, for whom the Government is now prepared to make belts compulsory, represent under 5 per cent of front-seat motorists.

According to the Department of Transport, Mr Fowler's resistance to compulsion springs mainly from fear that it could damage relations between the public and the police.

100,000 pigs are destroyed in eight years

Swine disease deadlier than foot-and-mouth

Hugh Clayton

Rural Correspondent

Two suspected cases of costly estock diseases were cleared government veterinary reasons yesterday. A flock of sheep kept near Newton, Powys, had been thought to have foot-and-mouth disease and pigs in the Humberside were feared have swine vesicular disease. The Welsh foot-and-mouth outbreak has cleared the way for Government to lift all restrictions linked to the outbreak in the disease in the Isle of Wight in March. That was the case in Britain for 13 years of one of the fastest and most expensive livestock diseases.

While the state veterinary service prepares to announce successful eradication from swine of foot-and-mouth, it is no such confidence about

swine vesicular disease. That condition is less serious than foot-and-mouth, but it cannot be wind-borne and affects only pigs.

Swine vesicular disease is almost unknown outside the countryside, but it is serious enough to be classed in law among the livestock diseases that must be reported to the police once they are suspected. It did not reach Britain until 1972, when foot-and-mouth had been known in the country for well over 100 years. The new disease was mistaken for foot-and-mouth when it first appeared, since it, too, is produced by a virus which causes swellings on the legs and mouths of animals.

A further similarity with foot-and-mouth is that all pigs in herds where swine vesicular disease is found are slaughtered and buried on government orders. This year the disease

has claimed more than twice as many animals in government slaughter campaigns as foot-and-mouth.

By mid-1976 it had appeared on more than 300 farms and had cost successive governments almost £5m in compensation to the owners of slaughtered animals. In September that year the Ministry of Agriculture, Fisheries and Food declared that it had been "successfully eradicated from Great Britain."

It reappeared less than a year later, and has since spread as far afield as Scotland and the south Midlands. The ministry has spent a further £5m on slaughter compensation. More than 300,000 pigs have been destroyed on government orders in the years since the disease reached Britain.

The virus is carried easily on tyres and boots and continues to elude government controls through slaughter, curbs on

transport of animals and disinfecting of vehicles.

Welfare warning: Members of the House of Commons Select Committee on Agriculture gave a warning to the Government yesterday that they were considering the need for further tightening of laws on farm animal welfare.

Sir William Elliott, chairman of the committee, asked government scientists why the provision of straw for sows kept in buildings should not be made compulsory. "We saw more technical and economic studies than we saw where there was not", Sir William said.

Professor W. F. Raymond, chief scientist responsible for farming at the Ministry of Agriculture, said: "I can see no adverse welfare effect. The real problem is that many pigs are kept in areas of the country where straw is not available, and so is expensive."

Man jailed for attacking footballers

Our Correspondent

Verhampton
A football hooligan aged 19 attacked two players after he had argued with his decision in a game in which he was fined for six months yesterday.

The game, between Crystal Palace and the Whimsy pub-house football club, had been hampered, with many fouls, injuries at Dudley, West London, were told.

The argument continued into changing rooms, where the man, Stephen Davies, decided to "get two of the players because they had decided by their decisions, the player, Terence Kettle, 15, had his jaw broken. Jeremy Basterfield, 15, had a black eye and it that required stitching."

Davies told the court: "I was a lot of fighting on pitch and arguing. I lost temper. I said a few words on the pitch and he decided to get two of the players because they had decided by their decisions, the player, Terence Kettle, 15, had his jaw broken. Jeremy Basterfield, 15, had a black eye and it that required stitching."

Davies told the court: "I was a lot of fighting on pitch and arguing. I lost temper. I said a few words on the pitch and he decided to get two of the players because they had decided by their decisions, the player, Terence Kettle, 15, had his jaw broken. Jeremy Basterfield, 15, had a black eye and it that required stitching."

Radar choice threatens 700 jobs

By Henry Stanhope

Defence Correspondent

The opening shots have been fired in a cross-Channel battle involving the Royal Navy's new Sea Wolf anti-missile missile. More than 700 jobs depend on the outcome and MPs are preparing to enter the fray.

The battle is over a recent Ministry of Defence decision to replace the complex British radar set which Sea Wolf uses to track its target with a Dutch system called the VM40.

The Navy wanted a radar that could cope more efficiently with the threat to ships from low, sea-skimming enemy missiles.

Another reason was that the Navy were seeking a smaller and lighter system than the existing one. At present Sea Wolf is fitted to the new Type 22 frigates and to a number of Leander class frigates.

Ideally, however, the Navy would like to squeeze it on to a number of other warships as well, like Type 42 destroyers and even the new Invincible class of aircraft carriers.

British Aerospace, who make Sea Wolf, are also interested in the Dutch radar because it has a better chance of winning export orders from smaller navies.

Sea Wolf, which proved itself capable of hitting a shell in the sky during three years of trials, has no obvious competitor as a so-called "point defence" missile system for ships; given the right radar it could be a powerful attraction for overseas customers.

Marconi Radar Systems, who make Sea Wolf's radar, admit to being slow in perceiving the Navy's requirement. With the

threat of being ousted from the Sea Wolf market, Marconi have fought back by designing a new radar set.

They claim it is not only as cheap as the Dutch VM40, but is lighter.

A naval weapons projects board met yesterday to consider the Marconi case after a week of meetings and telephone calls between the ministry and the company's Chelmsford office.

Marconi say that if they lose the work on Sea Wolf to Holland, their Chelmsford works would have to close, with the loss of 700 jobs.

Mr Norman St John Stevas, the member for Chelmsford, is among MPs trying to persuade the Ministry of Defence to drop the Dutch option in favour of the all-British alternative.

Jury released in 'handless corpse' trial

The Crown yesterday completed its case in the "handless corpse" trial at Lancaster Castle, 13 weeks after it started. It will continue with legal submissions before the start of the defence case.

The jury, which has heard evidence from more than 150 witnesses, was released until Monday.

The case involves charges against 12 people after the handless body of Mr Marty Johnson, a New Zealand drug dealer, was found in a water-filled quarry in Lancashire in October, 1979.

Bill will not invalidate passports, MPs told

By Philip Webster

Parliamentary Staff

Citizens of the United Kingdom and colonies will not have to rush to get new passports when their status is changed after the nationality Bill becomes law, MPs were assured yesterday.

Under the Bill such people will become either British citizens, citizens of the British overseas territories or British overseas citizens. Mr Timothy Raison, Minister of State, Home Office, told the standing committee on the Bill that about 15 million passports issued to

citizens of the United Kingdom and colonies were at present valid, and it would be impracticable to recall them all to alter the citizenship description.

When people applied for or renewed a passport after the passage of the Bill it would set out a new status; it would mean they would be able to travel on their existing passports.

Mr Raison said people would not encounter difficulties because their passport did not describe their current status. The Government would explain the position to other countries.

Civil Service chief to be asked to lift ban on pollsters

Peter Hennessey

Mr Ian Bannister, Head of Home Civil Service, will be asked tonight to lift his ban on pollsters questioning civil servants, as they are able to do in the mid-1970s.

The plea comes from Mr Robert Worcester, managing director of Market and Opinion Research International, who

outlines his grievance against the Civil Service Department in a paper to be presented to a conference of the Royal Institute of Public Administration at Sussex University.

In 1975 some industrial clients asked Mr Worcester to compile a survey of the attitude of senior civil servants towards business. It was given permission by Sir Douglas Allen, now

Lord Croham, the then Head of the Home Civil Service.

Mr Worcester interviewed Lord Croham in 1976 as part of his sample. Mr Worcester says: "He agreed that he thought it would be a good idea to carry out the study on a periodic basis, possibly every two years. Unfortunately this conversation was not minuted. By 1978 Sir Douglas Allen had

retired."

Mr Worcester's request to conduct a follow-up survey was rejected by the department. His action, Mr Worcester says, led to a complaint at the highest level. In at least one case, the deputy chairman of a leading company saw the permanent secretary of the department in which he was most interested.

BUSINESS MADE SIMPLE

INSTANT ACCURATE INFORMATION

Made simple...

WORD PROCESSING

Made simple...

ACCOUNTING

Made simple

PAYROLL

Made simple...

STOCK CONTROL

Made simple...

SPACE INVADERS

Not so simple

Most people's worry about the microcomputer isn't whether it'll cope with the work, it's whether they can cope with the microcomputer. With a PET you definitely can - that goes for Chairman and Copy Typist alike.

This is because we've concentrated on producing systems that are specifically designed for you, the businessman, not the computer buff.

Over 20 years of electronics experience shows in our results. Apart from being Britain's biggest seller, there are thousands of PETs helping businesses run more profitably the world over.

As well as taking on all the jobs shown above, there are dozens of software packages that'll do much more, too.

(There's even a Space Invaders program in case you're wondering what to do with the time you save.)

As the PET is no ordinary system, we don't rely on ordinary dealers. We have a national network of Commodore Business Systems Consultants who are qualified to cater for the needs of the business customer. Before and after sales.

Finally, if you think that all this will set you back a small fortune, look below. Not only have we simplified business, we've simplified the cost of the system that you can depend on to do it.

Commodore PET Business Systems start at around £2,000, or can be leased for less than £15.00 per week.

For the full story contact Commodore Information Services, PO Box 109, Baker Street, High Wycombe, Tel: Slough 74111.

COMMODORE PET
Quite simply, Britain's biggest selling microcomputer

I'd like to know how a Commodore PET could make business simpler for me.

Name _____

Company _____

Address _____

_____ Tel: _____ 13TMI

Wrecked Chad capital yearns for peace and effective government

Shuttle countdown to the reusable space age

Nine rivals to fight M Giscard at polls

Foreign Report, p. 1

r massacre

Owen attack on Thatcher 'weakness'

Man in the News

Polish hardliner finds favour in Soviet eyes

Herr Schmidt rejects criticism of détente

id rejects détente

Pressure on Warsaw is kept up

El Salvador massacre

The rising death toll starts to worry US

Administration proposal to \$101m (\$46m) in aid to Salvador of which \$26m will security assistance. \$39 development assistance. \$40m in security related aid.

Liberal democrats tried reduce these sums and attach stringent conditions relating to human rights, but were defeated.

100

Ottawa MPs reach compromise on constitution dispute

From John Best
Ottawa, April 9

The long, bitter confrontation over constitutional reform ended in Canada's House of Commons. An all-party agreement worked out yesterday will allow the House to vote on the plan to Mr. Pierre Trudeau, the Prime Minister, to bring home the constitution to Britain, but only after the Supreme Court of Canada has ruled on its legality.

As a result of the accord the House today was able to take a vote on the plan for the first time in nearly eight weeks, which is how long the final stages of the debate on the Trudeau plan have been going.

In the last two weeks the opposition opposition mounted a blockade which prevented a Liberal Government motion coming to a vote.

In return for lifting their blockade the Tories got the government's commitment not to push the measure through until the Supreme Court has given its decision. The court is scheduled to hear arguments on April 28 and it is expected to make a ruling within a month.

The Tories and eight of the 10 provincial premiers have agreed to a unilateral federal move unconstitutional in that it involves on provincial rights and privileges.

The plan involves asking the British Parliament to relinquish the Act of 1867 after enacting an amending formula and a bill of rights.

The provinces feel they

should have a say on both these points.

Before agreeing to end their blockade the Conservatives also got Mr. Trudeau's commitment to meet the eight dissenting premiers to try to plan an agreed approach to Westminster.

The timing of the meeting will have to be worked out. It will probably be after a meeting which the eight have planned for next Thursday, when they hope to reach final agreement on the Trudeau plan.

The chances that a meeting of premiers will accomplish anything worthwhile are not strong. Previous meetings have usually been fruitless.

Many of the premiers oppose Mr. Trudeau's idea of asking Westminster to legislate the bill of rights and some do not think matters should be enshrined in the constitution, but should be left to the legislatures.

The parliamentary timetable agreed on yesterday provides for a further three-day debate on the patriation motion, starting on April 21 and during which amendments will be disposed of.

Then the whole issue will be shelved until the Supreme Court has spoken. After that there will be a two-day wind-up debate followed by a vote on the entire package.

If the court ruling goes against the Government, however, the package in its present form presumably will die and there will be no wind-up debate.

Extended sitting hours and time limitations on speeches will apply at both stages.

Years for 7 hunger strikers

Our Own Correspondent
West Germany, April 9

Five ministers today agreed to give in to the demands of 27 convicted or alleged terrorists on hunger strike in the prison of Stammham, even though several are to die.

The prisoners, some of whom have been refusing food for a week and a half, want to go together in groups of 15. At present they are in various prisons throughout the country.

As a hastily-called meeting today the Land justice ministers, who are responsible for the prisoners, decided to remain in refusing their demand, give in, they said, would by strengthen terrorist organisations.

Herr Jürgen Schmude, the Land Justice Minister, said tonight that several of the hunger strikers could die at a time. Some had been close to death for a week; but he did not say how many were in danger.

He said the strike began early in 1979 with more than 100 prisoners, but many stopped others joined in later.

Spokesman for the federal Justice Ministry said "some" were less than 10—were in force-med. Several were in hospital. By law the decision to force-feed rests with doctors in charge and not on doctors appear to be using it.

Applying to pressure fromervative politicians, Dr. St. Bourmier, chairman of a local association, said that doctor can be made for a patient. He advocated British method of offering and drink at every meal and leaving it up to the on to decide whether to it.

Madrid talks to start on US bases

From Richard Wigg
Madrid, April 9

Mr. Alexander Haig, the United States Secretary of State, said at the end of talks here with Spanish political leaders that the two countries had decided to begin negotiations almost immediately on a new treaty covering United States bases in Spain originally signed in 1953.

Mr. Haig emphasized at a press conference after a busy day during which he saw King Juan Carlos, Señor Calvo Sotelo, the Prime Minister, and Señor Felipe González, the opposition Socialist leader, that the new agreement would recognize "the changed circumstances for the two countries and especially the establishment of a democratic regime in Spain."

The old treaty of friendship and cooperation, signed by Washington with the Franco regime, expires in September. It was last renewed in 1976, almost a year before the holding of Spain's first democratic elections. The Spanish Government originally granted put Spain at a disadvantage in terms of its sovereignty.

Starting negotiations on a new bilateral treaty gives the Spanish Government the chance to prepare its strategy for making an application to join Nato, now expected here before the year is out, so that Spain can become a member before the next general elections which must be held at the latest in early 1983.

No one expected the Madrid Government to announce its decision to apply for Nato membership on the occasion of the Haig visit but it now seems clear the course has been set.

Washington Commentary

Reagan absence demonstrates a new style

The awkward questions about who was running the American Government in the hours after President Reagan was shot, and who is running it now, have subsided for the moment. Mr. Alexander Haig, the Secretary of State, and Mr. Caspar Weinberger, the Secretary of Defence, are both in Europe and it would be tactless to rake over the ashes of their past discord while they are away.

The questions can be left safely to the press and the Democrats and to various partisan members of the Government: when Mr. Haig and Mr. Weinberger have returned, we will hear of more about it. The question of the President's own competence is the subject of some rather squeamish speculation now, and that, too, will be much discussed as soon as he is out of hospital.

It is not that anyone thinks that Mr. Reagan's mental processes have been affected by his ordeal, or that he will be any less effective, or that he will not make a full recovery. People wonder who is minding the ship during his absence, and how far he can control events from his sick bed.

Mr. Reagan has been kept secluded for much longer than his doctors and assistants led us to expect—a failure that reflects on their judgment, not his. Their loss of credibility will only become serious if the President is still in hospital a week from now.

In the meantime, the executive branch of the United States Government has continued to function as it did before. Mr. Reagan's absence demonstrates how efficiently the Administration was set up to conform to his practice. He is not an interfering Chief Executive, like Jimmy Carter or Lyndon Johnson. He prefers to leave his ministers to their own devices, or even from a flying command post, a converted Boeing 707 that came into use during Mr. Carter's presidency.

President Carter once tried it out: as an exercise, the President and his staff were evacuated from the White House and moved to one of the secret bases in time to deal with the notional Russian attack. Officials will not discuss these matters, but presumably arrangements have been made to carry Mr. Reagan off from his bed of sickness to take command in an emergency.



Mr. Alexander Haig (left) in Madrid and Mr. Caspar Weinberger in Rome

him, for a time at least. In ordinary times, his counsel, Mr. Edwin Meese, and his Chief of Staff, Mr. James Baker, ensure that the Government runs smoothly, that everything the President has to do personally is done, and that, too, continues.

One particular question that came up in the aftermath of the shooting of the President was the control of the strategic forces—was easily answered. In a national emergency, this control is taken over directly by the President, either from the White House, from the Pentagon, from secret bases due out of the Appalachian mountains, or even from a flying command post, a converted Boeing 707 that came into use during Mr. Carter's presidency.

President Carter once tried it out: as an exercise, the President and his staff were evacuated from the White House and moved to one of the secret bases in time to deal with the notional Russian attack. Officials will not discuss these matters, but presumably arrangements have been made to carry Mr. Reagan off from his bed of sickness to take command in an emergency.

On March 30, of course, he was totally incapacitated. The elaborate means of communication that keep him in constant touch with the armed forces all over the world (or could do so, if needed) were at the disposal of Vice-President Bush, flying back from Texas this aircraft is equipped with secure teleprinters, and were at the disposal of the Secretaries of State and Defence in the White House itself.

Under a directive issued by Mr. Reagan, the Vice-President was in command of the strategic forces while Mr. Reagan was unconscious, but the actual command was exercised by Mr. Weinberger, who came next in line under the directive, until Mr. Bush reached the White House that evening.

The romance that attaches to the bagman who follows the President around when he leaves the White House or his personal aircraft, carrying the special codes, is rather misplaced. He would come into his own only if Russian missiles appeared on the radar screens while the President was camped in some dreary

suburb, far from the White House and Air Force One.

He might then give his orders for Armageddon over the car radio. It is not a very plausible hypothesis. The usual assumption is that the President will have sufficient warning of a crisis to reach a secure command post, and the Carter exercise demonstrated that the machinery works.

There was no hiatus in the exercise of political authority over the strategic forces. There is, however, a real hiatus that is seriously worrying the Administration: Mr. Reagan cannot lead the battle for the budget and the tax cuts from hospital.

The Democrats in the House of Representatives are already regrouping their forces and have produced a budget of their own. The Vice-President, the Director of the Budget, Mr. David Stockman, and other officials are attacking the Democrats' positions valiantly, but their commander's absence is already making itself felt. In this crucial domestic political sense, no one can replace the President.

Sixty nations seek EEC food aid

From Michael Hornsby
Luxembourg, April 9

The EEC and 60 African, Caribbean and Pacific (ACP) countries opened their annual ministerial meeting here today amid growing demands from the developing world for help in meeting its food needs.

The ACP countries have been pressing for long-term contracts for the supply of food from the EEC's surplus, especially subsidised prices which could be paid for in local currencies so as to lessen the drain on foreign exchange reserves.

The demand is particularly strong from the African countries, nearly all of which are suffering severe food deficits. Their cereal imports have doubled in the last 10 years, and food production a head has fallen by 1.4 per cent annually because of rapid population growth.

The ACP countries have invoked the example of the EEC's food assistance to Poland which has been made available at 15 per cent below world market prices with the aid of export subsidies paid for out of the Community budget.

The EEC argues, however, that Poland is a special case because of its political and

strategic importance. The ACP countries, it is pointed out, already receive quantities of emergency food aid free of charge, and the EEC says commercial terms must apply to non-emergency supplies.

The normal procedure is for food surpluses to be exported with subsidies to bring the price down to the usually lower world level. The most the EEC is prepared to offer is that these subsidies should be fixed for a year in advance so as to give the ACP group a guarantee of stable import prices.

Speaking for the group Mr. Samuel Insua, of Guyana, said this fell far short of the developing countries' needs. "We are facing a crisis in the cost of our food supplies parallel to the crisis in our energy supplies. We must have payment assistance," he told the conference.

Among those EEC countries most strongly opposed to offering the ACP group food at less than world market prices is Britain, represented at the conference here by Mr. Douglas Ford, Minister of State at the Foreign Office.

The British argue that long-term export contracts at special rates would stimulate even greater over-production by Europe's farmers, adding to the

already disproportionate weight of agricultural expenditure in the EEC's budget.

A more general argument deployed by the EEC is that its food surpluses are no longer as large as they once were. Long-term export commitments therefore make it more difficult for the Community to respond with emergency aid in times of famine, flood or other natural disasters.

Refugee aid: The international conference on assistance to refugees in Africa has received pledges in its first day totalling \$485m (£220m), with no less than \$285m from the United States alone, for this year and next. (Alan McGregor writes from Geneva.) United Nations officials say further contributions of between \$200m and \$300m are expected to be announced tomorrow in the second and final day of the conference.

Of the 131 countries invited, 85 are represented, half of them at ministerial level. The most prominent absentees are the Eastern European states.

The priority aim was \$500m for emergency relief over 18 months to two years, with a similar sum for continuing assistance in the ensuing three years.

Mr Peres lists key men in a Labour Cabinet

From Moshe Brilliant
Tel Aviv, April 9

Mr Shimon Peres today named the men he intends to appoint to key offices in his government if the Labour Alignment wins the national elections on June 30.

Mr Abba Eban, Foreign Minister under Mr Eshkol and Mr Golda Meir, will return to his old office. Mr Haim Barlev, former chief of staff and Minister of Trade and Industry in the last Labour government, will be Minister of Defence.

The Finance Minister will be Professor Haim Ben Shabat, president of Tel Aviv University, and his deputy, Mr Naphthal Blumenthal, president of the Histadrut (union federation) conglomerate of industrial plants. Mr Gad Yaskobi will be Minister of Trade and Industry.

Conspicuously absent from the team is Mr Yitzhak Rabin, the last Labour prime minister, who fought an unsuccessful campaign against Mr Peres's nomination for the party leadership. The two conferred today that Mr Rabin had agreed to join an elite party group serving as secretariat to a committee dealing with foreign affairs and security.

Syria-Jordan trade survives bitter feud

From Christopher Walker
Amman, April 9

The Jordanian-Syrian land transport company this week increased its fleet by 100 heavy lorries. At the same time, officials from Jordan, Syria, and Saudi Arabia were working on plans to reconstruct the Hajjah desert railway from Damascus to Medina.

Neither move would be remarkable were it not for the fact that King Hussein of Jordan and Hafez Assad of Syria, and locked in one of the bitterest and most personal feuds ever to divide their two countries, which only a few years ago were contemplating integration under the ambitious slogan: "One army, one people, one land."

Although the two neighbouring Arab armies have withdrawn from the border positions which they took up at the end of 1980, nothing has happened to alter the root causes of a dispute which still threatens a further violent split in the Arab world.

One Western diplomat said: "The severity of the insults, the extent of the propaganda and Syria's deliberate campaign of subversion against Jordan have made this one of the most serious inter-Arab quarrels in recent years. At present, there is no sign of how it is going to be resolved."

A recent boost in the power of Syria's main television transmitter has brought the hostile claims against King Hussein into the centre of Amman. In turn, the Jordanians have begun to hit back with a string of allegations against the Syrian regime, mostly put out through the official Jordan news agency.

In addition to the road and most of the blame on Syria for prompting the breakdown in relations. But the hostility has revived unhappy Jordanian memories of past disputes, particularly an abortive Syrian invasion in 1970, timed to coincide with King Hussein's move against militant Palestinians.

Three main reasons are cited by Syria for the worsening feud: alleged Jordanian training

of members of the extremist Muslim Brotherhood; secret plans by King Hussein to enter Russia Middle East peace negotiations on behalf of the Palestinians; and resentment at Jordan's strong support for Iraq in its continuing war with Iran.

The Jordanian monarch has denied the first accusation and his denials are supported by Western intelligence assessments. Although the Brotherhood has a legalised headquarters in the commercial centre of Amman, no evidence has come to light that its members are receiving arms, training, or finance from the Government.

In February, Syrian-Jordanian relations deteriorated further after the unexplained kidnapping of a Syrian "hit team" of seven men was captured. They admitted in a lengthy televised interview, to have been sent from Damascus to assassinate Mr Mudar Badran, the Jordanian Prime Minister.

As a result, Jordanian embassies throughout the world have been placed on alert for possible Syrian-inspired raids, and Jordan has boosted its own propaganda attacks against leading members of Syria's Alawite regime, particularly against Mr Hafez Assad, the brother of the President and commander of the country's crack army unit.

Against this violent background, trade links between the two former Arab allies have so far survived remarkably intact. The land border remains open, although searches are more rigorous, and many joint companies established during the heady period of proposed integration are still thriving.

In addition to the road and rail ventures, these include a joint maritime company with its headquarters in the Syrian port of Latakia and the Amman-based Syrian-Jordanian Bank.

Arab observers claim that the continuation of the joint commercial ventures is a welcome indication of a new maturity in the Arab world, allowing economic ties to survive political upheavals.

Relief brought to victims of Lebanese fighting

From Tewfik Mishlawi
Beirut, April 9

After eight days of fierce fighting in Beirut and the Christian town of Zahle, government and international Red Cross officials today embarked on an aid and relief campaign, taking advantage of a fragile ceasefire ordered by President Sarkis yesterday.

A Red Cross convoy of about 11 vehicles moved into Zahle, scene of large-scale fighting since Tuesday last week, and medical teams began to evacuate dozens of wounded men, women and children.

A few Syrian tanks and artillery shells fell onto the surrounding hills, where Christian fighting militia were reported to have their hideouts. Food and water were also supplied to the town's population of about 200,000.

Serious social problems began to appear in the Christian-controlled sector of Beirut and the suburbs which have been affected by the fighting. The voice of Lebanon radio, the mouthpiece of the right-wing Phalange party, broadcast warnings against the boarding of food and profiteering. Several shops have been closed because their owners are reported to have overcharged.

Emergency "people's committees" have been set up by the party to combat hoarding and black marketeering. The committees also helped in repairing public utilities damaged during the battles between Syrian troops of the Arab peacekeeping force and Lebanese Christian militias.

But few Lebanese expect the truce to last. Most newspapers said today that the next 48 hours were crucial.

Under the terms of the ceasefire Lebanese internal security forces (police and gendarmes) took over control of a main road on the outskirts of Zahle, while Syrian troops retained their hold on the international roads in the Bekaa valley, which Syria regards as strategically important for its security against Israel.

The Syrians also held their positions on most of the surrounding hills, and insisted that long-term security measures would have to be negotiated after the ceasefire is stabilized.

Syria, which has about 23,000 men in Lebanon by authorization of the Arab League and with the approval of the Lebanese Government, is demanding the withdrawal of all the Christian militias from Zahle and the deployment of a carefully selected Lebanese Army contingent under Syrian command.

Christian leaders who rejected this condition demanded today that either all the Syrian forces in Lebanon should be made accountable directly to the United Nations Security Council or the world organization should send more troops to take over peacekeeping duties throughout Lebanon.

The United Nations already has 6,000 troops in southern Lebanon as a buffer between Palestinian and Lebanese leftist militias on the one hand, and Israeli-backed Christians on the other.

TO THE LOCAL RESIDENTS WITHIN THE VICINITY OF DICKIE DIRTS FULHAM

Dickie Dirts (retail clothing shop) have been open in Fulham from 9am until 11pm seven days a week for one whole year. These premises were formerly a cinema for 40 years.

Dickie Dirts would like to know if their late night and Sunday opening hours have caused a greater nuisance to any of the local residents

than the cinema did, if in fact there is any nuisance.

PLEASE WRITE TO

Dickie Dirts

396-400 North End Road,
Fulham Broadway,
London SW6.

Tel: 01-381 3169

Michael Knip

On Sunday King Khalid of Saudi Arabia is to dedicate the King Abdul Aziz International Airport at Jiddah. Covering twice the area of Manhattan, the airport will be the entrance point to Saudi Arabia for the more than one million Muslims each year who make the pilgrimage to Mecca, the birthplace of the Prophet Muhammad. The two sections of the pilgrims' (Hajj) terminal, pictured below, cover about 125 acres and are the outstanding feature of the new airport.

Arthur Reed
Air Correspondent



solari america inc.
600 Madison Avenue - 12th floor
New York - N.Y. 10022
Tel. (212) 4900555 - Telex 131480

A.R.

THE PILGRIMS' AIRPORT

Saudia

Time to take a longer breath

Saudia, the national airline of Saudi Arabia and the main user of the new Jeddah international airport, has grown remarkably, increasing its passenger numbers from 150,000 in 1974 to about nine million last year.

Such enormous expansion in international aviation, with its high technology, has inevitably brought problems, the largest of which has been the training of technical staff, from pilots to maintenance staff. To its credit, the airline's management has not been too proud to lean upon the experience of foreign airlines.

As a result, it now has a solid base of well-trained Saudis moving up through middle management to the top posts, although because of the size to which the airline has grown it will be some years yet before complete Saudization is achieved.

Shahk Ahmed Mattar, the director general of Saudia, who keeps up his jet captain's licences by flying several services a month, said to me in Jeddah: "Year after year we have not stopped to take breath, and so in our 1980-84 plan we have introduced a different concept — one of controlled expansion, of expanding well within our capabilities, with an expansion target of 30 per cent a year. This will give us time to draw a longer breath and, among other things, to analyse our service to our passengers. Although we are proud of the service we offer, we think there is a need to make it even better."

The reduced expansion talked about by the chief executive seems like big growth to most other world airlines, which are going through a period of recession. During last year and this, Saudia is taking into its fleet 11 new wide-bodied airliners — five more Lockheed TriStars and six Boeing 747s, all powered by Rolls-Royce RB211 engines.

In the slightly longer term, the airline is buying 11 Airbus Industrie European A300 airbuses. The first of these is due to be delivered in April 1984.

This order was of particular significance in several ways. Saudia ordered a new and more efficient version of the A300 — the A300-600 — and then broke away from its long association with Rolls-Royce, choosing American Pratt and Whitney JT9D-7R4H1 engines, delivering 56,000lb take-off thrust, to

power it. The airline thus set an example which several other airlines in the Middle East are expected to follow. This dashed the hopes of the British company of having its RB211-524D4 chosen for an Airbus, so breaking into a buoyant market which is completely dominated by the American engine companies Pratt and Whitney and General Electric.

Saudia TriStars were involved in two accidents during 1980. In the first, all 14 crew and 287 passengers were killed after fire broke out in the aircraft and it made emergency landing at Riyadh. In the second, two passengers fell to their deaths through a hole blown in the cabin floor by a tyre explosion in the undercarriage bay while the aircraft was over the Gulf.

The airline exists to further the development of the kingdom, and it is impossible to apply the normal airline industry commercial standards to it. It was, for instance, instructed by the Government to reduce its domestic fares to a level at which, one executive joked, "It's cheaper than going on a donkey".

As a result of this policy Saudia loses money but is compensated by its Government. Domestic services account for 70 per cent of the airline's activity, while producing only 30 per cent of its revenue. Saudia uses mainly Boeing 737s on its internal services, while its TriStars and 747s range the international routes of the world, from London in the west to Bombay and Karachi in the east, and to Africa in the south. Saudia also operates the Royal Family's aircraft, including a Boeing 747SP (special performance).

For reservations, Saudia uses the British Airways BABS computer at West London terminal, 3,000 miles distant, via satellites over the Indian and Atlantic oceans. It is due to go over to its own computer next year and will add other functions to it, including payroll, finance, engineering stores and flight crew scheduling.

Flight crews on Saudia aircraft are of mixed nationality or all — Saudi, depending on how the roster works out. The airline has its own simulators installed at Jeddah, but sends its young pilots to the United States for initial training. Training standards are those of the United States Federal Aviation Administration, with

the airline's own standards imposed on top. The airline plans to build its own flight training academy this decade, with its own fleet of 12 light aircraft.

The academy would have its own resident inspectors from the FAA. It will permit the airline to dispense with its flight scholarships in the United States, increase its annual intake of new pilots from the present 100 recruited from high school to 150, and eliminate the homesickness suffered by the recruits, some of whom have never been out of their own country before.

Women cannot work in Saudi Arabia, so Saudia recruits its woman cabin staff from abroad. At the last count it had girls from 36 foreign countries wearing its uniform. It has its own cabin training school, at Jeddah, putting an average of 1,100 initial trainees through it each year, and a further 1,400 on refresher courses.

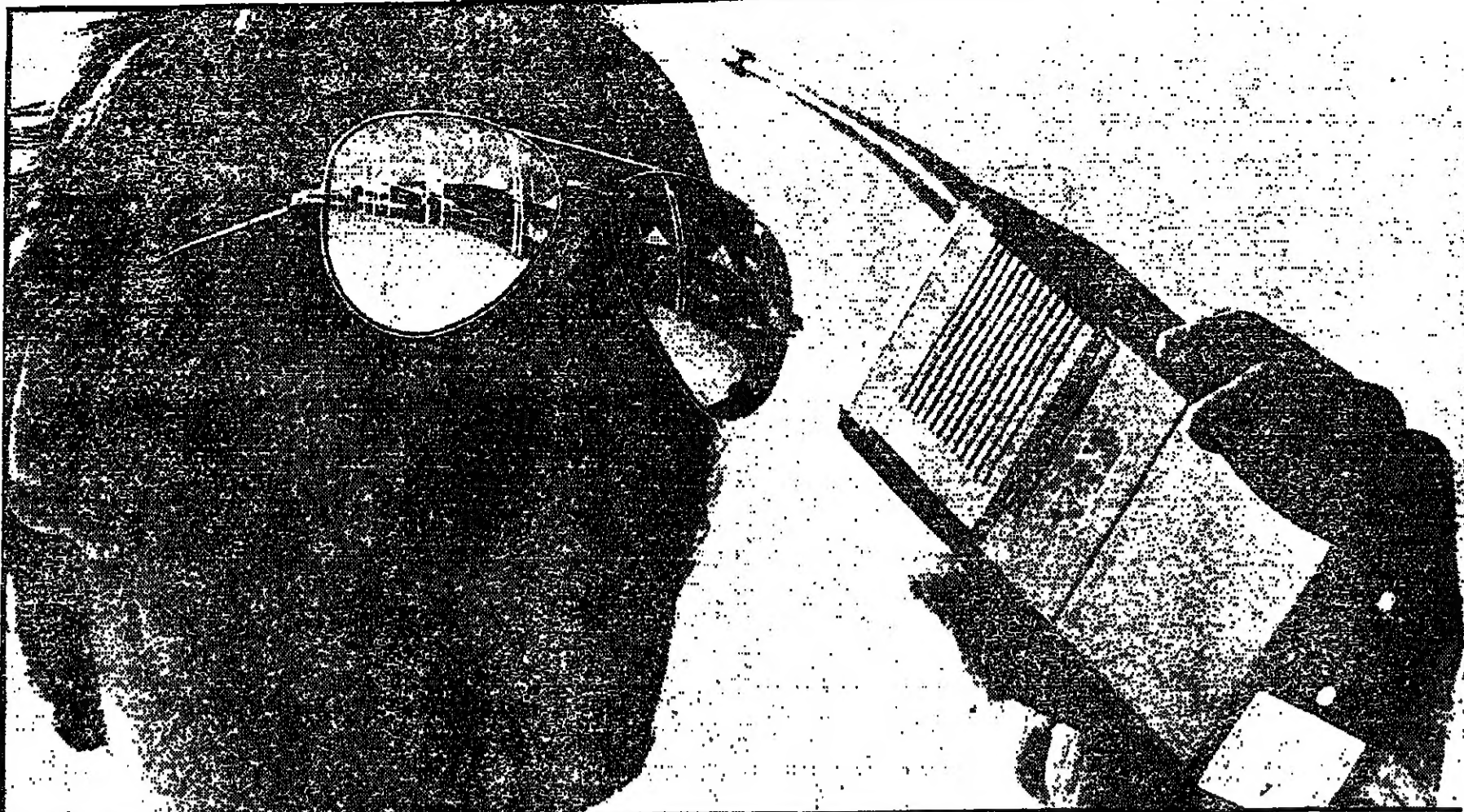
Maintenance of Saudia's airliner fleet is carried out by the airline at its base at Jeddah, although some engineering is done on some aircraft at other bases in the kingdom and abroad. The airline is now one of the most experienced in the world in servicing the Rolls-Royce RB211 engine, and in keeping it operating smoothly in the kingdom's particular environment of heat and sand, the latter condition being so acute that it can erode the airfoil of jet engine fan blades to the sharpness of a knife.

Saudia has come a long way in a short time. The company was established in 1945 with three Douglas DC 3 Dakota aircraft, one of which was given to the King by President Roosevelt of the United States.

These were used to fly a somewhat irregular passenger and mail service between Riyadh and Jeddah and to Dhahran at, it was estimated, speeds about 70 times faster than the traditional form of transport in the country — the camel.

In 1952, Saudia bought 10 Convair 440 airliners. These brought all the kingdom's cities within comfortable range of each other, helping the airline to begin to play a significant role in the development of the country. They also opened up the Holy Cities of Islam to pilgrims on an unprecedented scale.

Arthur Reed



An airport guard reflects on the security of the Haj terminal.

Transport policy

Roads offer alternative travel

The opening of the new Jeddah airport comes as the preeminence of air transport for getting around Saudi Arabia is beginning to be challenged. Much road building has already been carried out, particularly within the main centres of commercial activity in Jeddah, Riyadh and the industrial triangle of Al Khobar, Dammam and Dhahran in the Eastern Province. Major new highways are to be built in the third plan, to create a first-class — and truly national — road network.

This will for the first time provide travellers in the kingdom with a real alternative to air transport. New railways are planned, though they will concentrate on limited sectors of the transport market, principally freight traffic.

The basis of the civil aviation system was established in Saudi Arabia before the first paved roads were laid. Heavy investment in the first and second development started there in 1978. The airport will start operating

comprehensive and, for the traveller, low-cost network encompassing the kingdom's 20 airports. The core is the strategic east-west corridor between Jeddah and Dhahran via Riyadh, which accounted for about 80 per cent of passenger traffic.

Airport use is to continue to rise steeply, according to government forecasts. The third plan (1980-85) estimates that arrivals and departures at Saudi airports will rise to 26,500,000 in 1985-86 compared with just over 13 millions in 1977-78.

Ambitious plans have been drafted to meet booming demand for air transport both into and within the kingdom. The heart of the programme is the three international airports being built in Jeddah, Riyadh and Dhahran under the supervision of the International Airports Programme Office. Work at Riyadh has been proceeding at a remarkable pace since construction started there in 1978. The airport will start operating

by 1985. Dhahran airport is still at the planning stage.

Elsewhere, airports at Abha and Jazan in the south-west, and Medina and Taif, which is south-east of Mecca, are to be upgraded in the third plan to accommodate demand for air services but also left Saudia with growing deficits. These amounted to an average of 100 rials (\$30) for each domestic ticket by early 1981.

To correct this trend, Saudia announced a 70 per cent increase in fares in March. This will help the airline to meet its planned target of achieving a financial balance in its domestic services. The cost of travelling first class between Jeddah and Riyadh is now 84 rials (\$243) compared with 420 rials before the increases.

The decision to allow increases of this size is the first step towards an integrated Saudi transport policy. It may have been influenced by the establishment since 1978 of an inter-

city bus network run by the state-owned Saudi Public Transport Company (Septco). Bus fares are deliberately kept down. For example, the fare for the 150 km journey to Taif from Jeddah is \$3. This is likely to encourage Saudis to use the roads more.

However, air transport is expected to remain the most important way of getting around the kingdom for the immediate future. The kingdom's size and the inhospitable environment outside the widely dispersed settlements will continue to keep business travellers off the roads.

A rise in passenger traffic to towns outside the major commercial centres is forecast, as development intensifies in the regions. Medina and Abha are expected to be the airports most heavily used. Arrivals and departures at both are expected to rise to more than a million by 1983-84 compared with

500,000 at each in 1977-78. By 1983-84, the total for six main domestic airports — Abha, Jazan, Medina, Qassim, Tabuk and Taif — will rise to more than 4,600,000 compared with over two million in 1977-78.

To service this mark pursue plans for expansion worldwide, is buying several new passenger jets. A \$500m order for 11 Airbus Industrie A300 series wide-bodied aircraft was placed in February. Another nine Convair 440s are to be added to the fleet. A Boeing 747 is already operating, a Boeing 747-300 to the 9th 737s and 707s already in the fleet. These purchases, wholly-owned aircraft, Saudi's fleet to 74, is the airline the fastest in the world.

Edmund O'Sull

Middle East Economic

Taking part in a 40.5sq. mile area.. as the largest mechanical & plumbing subcontractor for the King Abdulaziz Int. Airport, Jeddah.

We have executed these Mechanical Installations:

● SOUTH TERMINAL

H.V.A.C. Systems (2,700 Tons cool capacity)
Plumbing & Fire Protection.

● NORTH TERMINAL

H.V.A.C. System (2,400 Tons cool capacity)
Plumbing & Fire Protection

● HAJ TERMINAL

H.V.A.C. System (3,200 Tons cool capacity)
Plumbing & Fire Protection

● LOAD CENTRE 1

Chilled water & cooling tower system for a refrigeration capacity of 9,000 Tons complete with H.V.A.C. & Plumbing.

● HANGAR NO. 1

H.V.A.C. System (1,570 Tons cooling capacity)
Plumbing & Special System.

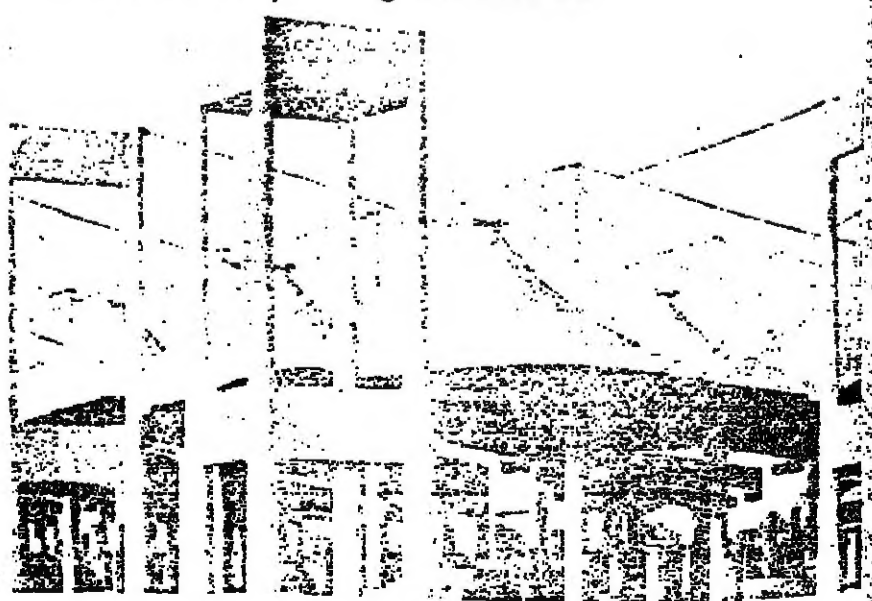
● PUMPING & LIFT STATIONS

Complete mechanical installations in more than 30 stations for Fire Protection, Portable, Chilled Water and sewerage.

More than 125 Pumps installed with over 16,650 HP. total pump power.

In addition to the mechanical installations for all support and service buildings (Control Tower, Radar, Meteorological Bldg., etc.).

Not only that... but ASTER has also done the mechanical installations of special systems such as, A.P.I. Oil Water Separator, P.O.L. Tanks, Water Reservoir Tanks, Filling Stations etc.



VIA LARGA 13-15 ASTER S.p.A.
20122 MILANO
ITALY
Tel: 867041
Telex
320197 ASTER

ASTER

مركز الصيانة

The Haj

Gateway for upholders of the fifth pillar of Islam

The Haj is the pilgrimage to the Holy City of Mecca. Haj means "effort" — the effort of submerging one's self in the will of God. The journey to Mecca is one physical manifestation of this effort.

The Haj is the fifth pillar of Islam (the other four are the declaration of the unity of God and acceptance of the prophethood of Muhammad, the five daily prayers, fasting during the month of Ramadan, and zakat, the poor due). Every Muslim, if he or she has the means, is required to undertake the journey to the "Barren Valley" of Mecca at least once.

The experience defies description, but its attraction is so compelling that it is a dream of every Muslim, whatever his place or place in society, to visit Mecca and receive the grace of God.

The Haj is performed during the second week of the Islamic month of Dhu al-Hijjah, the twelfth month of

the Muslim calendar. As this is a lunar calendar it moves through the seasons, completing a cycle every 35 years. This year the Haj will occur during the second week of October.

The final destination of the pilgrims is the Ka'aba in the Masjid al-Haram, the sacred mosque. The Ka'aba is the focus of the Muslim community and a symbol of the unchanging values of Islam. Mecca is about 70 km east of Jiddah, is surrounded by a high, rugged mountain chain, and has a harsh climate.

It was a centre of pilgrimage for more than 2,000 years before the birth of Islam, and was the birthplace of Muhammad.

For most of the two million or so pilgrims who perform the Haj every year, the point of entry into the hijaz, the holy area, is Jiddah. Air travel has taken over from the traditionally most common mode of transport, the caravan. The

Egyptian caravan set out from Cairo, crossed the Sinai peninsula and then followed the coastal plain, a journey of about 40 days. Pilgrims from north and north-west Africa joined the caravan in Cairo. The second great caravan assembled in Damascus and moved south via Medina, reaching Mecca in about 30 days. The third caravan crossed the Arabian peninsula from Baghdad.

The modern pilgrim flies direct to Jiddah airport, where he waits for up to 24 hours for his passport to be processed and a pilgrim guide to be assigned to him. The arrangements at the new airport, it is claimed, will cut the time taken to complete entry formalities for each pilgrim to about four hours.

At Jiddah, the pilgrims abandon their worldly dress, and with it their material desires, and assume the state of ihram. Physically, the ihram consists of two unsewn sheets of cloth — a loin cloth and a shoulder cover with which the pilgrims

cover themselves. Spiritually, the ihram consists of many sacred prohibitions; there cannot be any acts of aggression (even the plucking of a flower is forbidden), personal adornments are forbidden and sexual desires and impulses must be sublimated. Once in ihram the pilgrims move towards Mecca.

Pilgrims are transported from Jiddah to Mecca in special pilgrim buses. The agency which has exclusive control of Haj transport is the Haj Vehicles Union. This is a government agency under the Ministry of Haj, and it aims to control the fair distribution of pilgrims among the Haj transport companies.

There are five privately-owned Haj transport companies, whose total fleet capacities cannot meet the rising numbers of pilgrims. The union distributes the pilgrims to the transport companies on the basis of a rotating priority system and according to the capacity of

each company. The union also collects the fees for the trip and gives the money to the companies. It sets standards for the vehicles and the level of service desired from each company.

The intention of the Saudi Government in setting up the union was to prevent harmful competition between the transport companies and possible exploitation of the pilgrims. It has succeeded in these goals to some extent. However, since the transport companies are assured of their income they have no incentive to improve the service. Bitter complaints from the pilgrims — overloading, being left without a driver, maltreatment — are common. Moreover, as the present regulations of the union prevent the companies from transporting anyone except pilgrims, their fleet remains idle for the rest of the year. They are thus forced to demand exorbitant fees from the pilgrims.

On entering the city of Mecca, the pilgrims go straight to the sacred mosque. In the haram they walk seven times around the Ka'aba to show their readiness to obey the command of God. After performing the circumambulation of the Ka'aba, the pilgrims perform the sa'iy, the act of covering seven times the ground between the hills of Sufa and Marwah — a reenactment of the search for water by Hagar, the wife of the prophet Abraham. The rest of the time in Mecca is spent in absorbing the history and the spiritual fervour of the city.

The Haj proper begins on the eighth day of Dhu al-Hijjah when the pilgrims make their way to Muna, a small village five miles east of Mecca, to spend the night in prayer, meditation and preparation for the rite of wuquf (the standing), which occurs the next day.

The ninth day of Dhu al-Hijjah is the Day of Arafat. The pilgrims leave for Arafat and reach the plains before midday. It is there that the supreme hours of the Haj are spent. The sacrifice has several



Pilgrims in contemplative mood pass through Jiddah, the point of entry to the holy area.

meanings: it commemorates the willingness of Abraham to sacrifice his son; it symbolizes the preparedness of Muslims to give up what is dear to them; it marks the renunciation of idolatrous sacrifice; it reminds the pilgrims of those who are less fortunate; it offers thanksgiving to God. As Muslims everywhere offer identical sacrifices on the same day, the sacrifice is also part of a worldwide celebration which unites those on the Haj with Muslims everywhere.

Throughout their stay in Mecca, Muna and Arafat, the pilgrims are under the protection of pilgrim guides, the mutawwif. The pilgrims who serve as general aids and guides are also responsible for accommodation, local transport, and the feeding of the pilgrims. Because business is guaranteed, traditional standards of mutawwif care and hospitality have seriously declined. Moreover, many sincere mutawwif have not been able to adjust to the rapid rate of increase in the numbers of pilgrims. Thus, many mutawwif leave the pilgrims to fend for themselves. The Saudi Govern-

ment is reexamining the traditional mutawwif system and major changes are expected.

In Mecca the pilgrims stay in houses owned or rented by the mutawwif. Those who can afford it stay in the plush, over-priced Meccan hotels. A large population of pilgrims live on the streets of Mecca. In Muna the mutawwif accommodation consists largely of purpose-built houses and tents. There, too, many pilgrims end up with makeshift arrangements on the streets. In Arafat accommodation consists only of mutawwif tents.

In general mutawwif provide food for their pilgrims, but a huge amount of imported food is also available from the shops and street restaurants which spring up during the Haj season and crowd both sides of the Mecca-Muna road. A large fleet of mobile food stores moves with the pilgrims from Muna to Arafat, and then to Muzdalifah.

Transport between Mecca and Muna, and to Arafat, is by car, and by pilgrim and private buses. The main traffic problem in this circuit is the presence of large buses collecting pilgrims for

the journey to Arafat in the narrow streets of Mecca. Formerly, departure from Arafat was a big problem, but this has apparently been solved by the construction of several bridges.

One solution which has evidently been successful is the construction of two walkways between Arafat and Muna; these are fully used by the pilgrims.

The problems associated with the movement of two million pilgrims in a valley less than 2 km wide are formidable. Pilgrims come to Mecca prepared to face hardship. For generations they have put up with problems of accommodation, food, and travel, and the harsh climate of Mecca.

Now, however, they face a new burden in their spiritual quest — advanced technology and the alienation which it generates. This technology is alien to the harsh, natural environment of the Haj. The challenge of meeting the difficulties of the Haj in a manner which preserves the purity of a sacred places has yet to be met.

Ziauddin Sardar
science editor,
Arabia: Islamic World Review

15 hours to process one person

"There is no other occasion in the world's calendar of events when so many gather in one small place or so short a time". Mr Samer Maddah, manager of the Haj terminal at the new Jiddah airport, says. He has been given the task of supervising the arrival and departure of all pilgrims into Saudi Arabia through this terminal.

"It takes 15 hours to process a single hajji at the airport and that is why there are dormitories, because they fall asleep while waiting," Mr Maddah adds. He is heading a special committee to cut that wait to a maximum of four hours. A whole range of government departments has to scrutinize a Haj visa immigration,

internal security, registration, health and the Interior Ministry.

After that, the Department of Religious Affairs has to organize the hajji's transport to Mecca and Medina and put him in a group which is supervised by a registered Saudi mufti who will stay with the group throughout the Haj. Finally there is a department to make sure that everybody leaves the country, because a large number of poor hajjis try to stay on to find work in the lucrative labour market of Saudi Arabia.

For this reason the committee, which has the assistance of foreign experts and a computer, has named the terminal the Haj Facilities

Complex. The terminal will eventually be able to handle 80,000 people a day during the short, but intense, 10-week season. For the rest of the year it will be used for Umra flights (the smaller haj that can be done throughout the year), student and teacher flights and even exhibitions.

The committee will be having a trial run in the Haj season this autumn although this year the terminal will not be handling all the Haj traffic. Mr Maddah emphasized that the biggest problem will be changing old methods of work because every relevant government department will be represented in the terminal and they will have to work in a

new coordinated manner: "No easy task when you are working under the pressure of having to get the hajjis to Mecca by a certain date or to Arafat by sunset", Mr Maddah said.

The Haj terminal has been labelled grandiose and unmanageable. Its symbolic importance to the Saudis and to many Muslims arriving for the most important trip of their lives, was put by Major Jali, public relations officer at the airport: "Such an airport serves more than a function — it is a symbol and serves as a service and a backdrop to Islam's most holy place — Mecca".

Jamal Rasheed

Architecture

Inverted trumpet shapes of a bisected 'city'

What single, widespread and characteristic building type best symbolizes the scale and pace of change and development in the twentieth century, as the railway terminus did for the nineteenth? The obvious answer must be the airport, both for its role in the progress of communications and for its accessibility to increasing numbers of the population of developed and developing countries alike.

Now often the size of a town in area and working population — and generally more complex in the services and systems which it requires — the airport has become at once the gateway of modern international commerce and the focus of the mass service industry of tourism. Occasionally, too, it may acquire other roles; facilities may have to be shared with a military or defence installation.

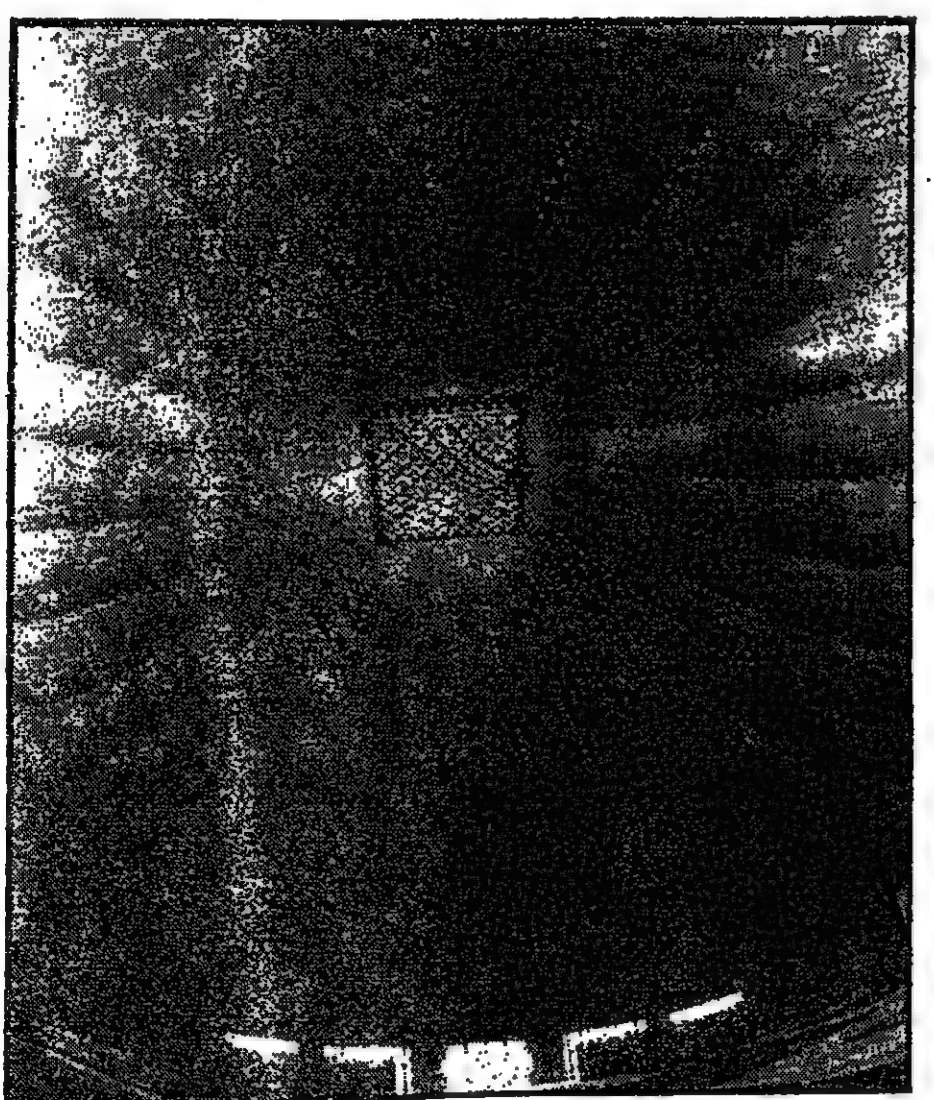
Even more exceptionally, an airport has to meet yet another need, as in the case of the new Jiddah international airport, which will replace the former, recently expanded complex. For, over and above its more generally understood functions, Jiddah is the main point of entry into the kingdom of Saudi Arabia for devout Muslims making the Haj (pilgrimage) to the Holy Places of Mecca and Medina.

As such, the new Jiddah airport will have a unique place in the not particularly well-documented architectural history of airports and airport terminal buildings. Despite a pedigree of more than half a century, these still receive little attention in the obvious reference sources, such as Nikolaus Pevsner's *History of Building Types*, or the most recent edition of Banister Fletcher's *History of Architecture*.

"Of importance buildings there are more than can be referred to here, in whatever country, they all seem to be forever growing, frames or scaffolds, they have the premises. The architectural results, however, are indifferent." The completion of the new airport, however, should provide a long-needed chapter of architectural history and perhaps, in the process, will lead to a review of the numerous new airports in the Middle East.

The architectural parentage of the new airport, in its final form, is impressive. In 1975 the Saudi authorities decided, in face of increasing passenger traffic, to go for a major expansion of the original mid-1960s plan — with added facilities for the Saudi Air Force as well as for the national flag carrier, Saudia. It was at this stage that the government brought in the internationally renowned American firm of architects, Skidmore, Owings & Merrill (SOM), to draw up a completely new master plan for the replacement airport.

Founded in 1935, this firm originally rose to prominence with the aid of United States government contracts initially the wartime atomic research centre at Oak Ridge, Tennessee, and



The royal terminal: a palace in miniature.

later the US Air Force Academy at Colorado Springs. Best known for its classic modern office towers such as Lever House, New York, of 1952, the practice also laid the foundations of the planning knowledge needed for masterminding such a large-scale project as Jiddah airport with the Chicago Circle Campus for the University of Illinois.

Only since the mid-1960s has SOM really been working on a worldwide scale — its British collaborations include headquarters complexes for Boots, Heinz and W.D. & H.O. Wills — and it is relatively new to the Middle East. Its philosophy, however, is eminently exportable: the firm creates the organization within which "the people who produce the architecture" can function, as the founding partners put it.

Architectural interest in the new airport focuses on the three terminal pavilions and the Haj complex. The south is the major commercial terminal intended mainly for Saudia's own international and domestic flights. Appropriately for the national airline's prestige entry point, it is clad (externally and internally) and floored in specially

imported Italian marble. It incorporates a hotel and a mosque (one of four in the whole development).

Facing it is the north terminal, built for the movements of other foreign airlines. This is less expensive, but both share the same overall external design concept, with their gently scalloped concave roof shells counterpointing a line of long, low arches along the main elevations.

Standing a little apart to the west of the central aircraft operations area on the Medina Road is the Royal Pavilion, with its own apron for the use of the Saudi Royal Family and visiting heads of state. Distinctive in its design (by the Michigan architect Minoru Yamasaki), it is clad in copper roof. A distinguished palace in miniature, it adds a fitting note of climax to the arrangements for the reception of passengers.

The real architectural landmark of the entire site is the west end of the terminal, standing on its own more than 100 square kilometre to the north of the main handling facilities but within easy reach of the runways during the short, frenetic period of a few weeks every year when the pilgrimage season is in full swing. Designed in two halves, on either side of a central spine road giving access to Mecca, it has not only to handle up

to 5,000 arrivals an hour, but to hold many of them while they decide their pilgrimage arrangements. What SOM has provided for them is a sectioned tent city which is modern in style and covers about 50 hectares.

The terminal is built up from 210 tapering, glass-fibre fabric-covered "tents", their inverted trumpet shapes echoing the soft roof curves of the normal terminals. They are supported by 45-metre high steel and concrete pylons and banded into modules flanking the access road on either side. For the comfort of pilgrims during their hours of waiting, the tent walls are left open to the winds for natural ventilation. The fabric is also designed to admit adequate daylight. Inside are restaurants, lounges and mosques, as well as customs and immigration facilities. Modern technology has succeeded in making the terminal a close approximation to the traditional tent of the Arabian traveller.

Even during its construction, the pilgrims' tent city has provided the main visual attraction of the whole airport development and should, together with the new airport, have more than a mere footnote in future works of architectural history.

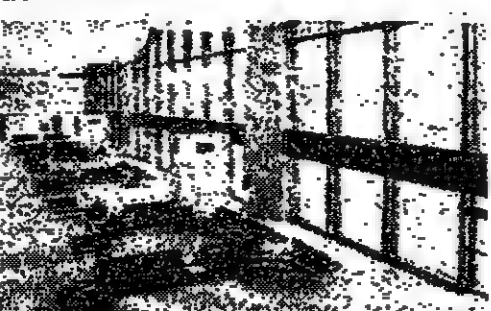
a Special Correspondent

The beauty of our new terminal is the time it saves you.

The world's largest and most modern airport will be opening in Saudi Arabia.

It's the new King Abdulaziz International Airport at Jeddah.

Covering an area of over forty square miles it is a beautiful and outstanding architectural achievement.



But fly in on Saudia, and it will really seem quite small. For we have our own

exclusive terminal which handles both international and domestic flights.

This means that Saudia is the



only airline on which you don't have to change terminals when you transfer on to our exclusive domestic service.

Saving you a great deal of time. We've made arrivals and departures easier too.

For our mobile lounges will

take you to and from the planes in air-conditioned comfort.

The terminal itself has also been designed to make your journey smoother.

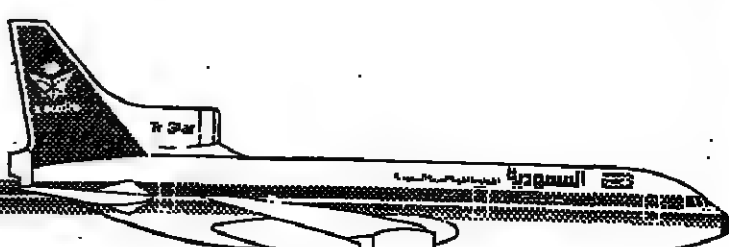
For quite apart from its 2,000 direct dial international lines and sophisticated baggage handling facilities, the interior provides a pleasant atmosphere in which to relax.

So when you're flying to Jeddah, fly with Saudia to our new terminal.

It's another example of our continually improving service to our passengers.

SAUDIA
SAUDI ARABIAN AIRLINES

Growing faster to serve you better.



THE PILGRIMS' AIRPORT

In the past 10 years the population of Jiddah, the commercial capital of Saudi Arabia, has tripled. George Duncan, who has worked as an architect and planner in the city for the past 12 years, reports on its remarkable growth

Roads surround the tomb of Eve

Looking at Jiddah today, a bustling, growing city of well over a million people, it is almost impossible to believe that until 1947 it was a walled settlement of about 30,000 inhabitants and had been so with changes in its fortunes, for as long as recorded time. Like all ancient cities which survive, it commands an essential location in the movement of people and goods. The formidable triple banks of the Red Sea coral reefs have a navigable deep-water gap there.

The Asir Escarpment, a towering 1,700-metre, near-vertical face, which stretches unbroken from Yemen, the Arabia Felix of the Romans, tapers off about 100km inland. Jiddah itself, on the hot, humid coastal plain, lacked water, but between Jiddah and Mecca lies the Wadi Fatima, where underground aquifers allow a plentiful supply of water, and food, even though, until recent times, a laborious day or two's camel journey away from Jiddah.

The existence of Jiddah, and Mecca, at this crossing point of the north-south route (from Arabia Felix to Egypt and Mesopotamia) and east-west route (from the Red Sea into the interior) is thus ancient and pre-Islamic. It is said that Jiddah was built upon the tomb of Eve, a recorded drawing of the tomb appears in an account of Jiddah by Richard Burton published in 1853, when he computed it to 200 paces long.

The cemetery containing the tomb, now disappeared, is still there, just outside the old city to the north. A generation ago it was encompassed by the desert, now it is surrounded on every side by roads and buildings.

Mecca, the Holy City of Islam since the time of the Prophet Muhammad in the sixth century, was where Abraham left his slave wife, Hagar, and their son, Ismail, who, near death, were succoured by the miracle of a fountain of water gushing from the desert. To Muslims this spring is the water of Zam Zam, located within the Holy Mosque, with the Ka'aba at its centre.

The fifth pillar of Islam is the Haj or pilgrimage to Mecca, and with the spread of Islam throughout the world, Jiddah acquired a further role to that of a trading centre: the gateway to Mecca for sea and land pilgrims. The growth in the number of pilgrims now making the Haj is even more startling than that of the growth of the population of Jiddah. Twenty, even 15, years ago the pilgrims could be counted in tens of thousands. Now more than two million pilgrims perform the Haj each year.

Little wonder that the most striking feature of the new airport is the Haj terminal. Pilgrims arriving by air far exceed sea and land arrivals and this is now the principal means of travel for non-Saudi pilgrims through Jiddah en route to Mecca. The arrival of hundreds of pilgrims, all dressed identically in their ihram or simple white draped towels. They walk calmly in a great crocodile down the steps from their jumbo jet and

across the taxiway to their purpose-built accommodation.

The sub-region contains a third city, Taif, which stands atop the escarpment and is the summer capital. It was there that the third Islamic conference was held earlier this year. The Jiddah-Mecca-Taif corridor contains more than two million people and is the most populous and fastest growing area of the kingdom. With so much going for them, this group of cities is bound to grow and prosper.

Five regions are identified

In 1968, after some pioneer regional planning research which identified five regions, the Saudi authorities asked the United Nations for help in setting up regional and city planning studies and in appointing consultants to this work. The largest and most sensitive region was the Western Region, which contains the Holy Cities of Mecca and Medina, as well as Jiddah, Taif, Tabuk and Yanbu.

After a joint United Nations-Saudi review and short-listing of international planning consultants who could tackle planning work of this magnitude (the Western Region is half again as large as Britain), Robert Marjoni, Johnson-Marshall and Partners (RMJM) was appointed, set up offices in Jiddah and started work in 1971. Jamieson, Mackay and Partners was appointed by RMJM as transport consultant.

The three-year programme started with comprehensive demographic, transport and land-use surveys. These surveys established, for the first time in the kingdom, the statistical information essential to predict — or attempt to predict — the likely patterns of growth and change over 1975-81 in the region's six major cities and its other towns and rural areas. This survey work was possible only because Fairley (now Clyde) Surveys had been commissioned by RMJM to update and expand the existing mapping.

Because of the special nature of the Holy Cities and also the wish of the Ministry (now the Ministry of Municipal and Rural Affairs) to have its consultants train young Saudi architects, planners, geographers, road engineers and technicians, the British team worked from the outset with Saudi counterparts. While it was not always easy to maintain the momentum of an important planning exercise within a very tight programme and at the same time help and direct a Saudi team, with considerable tact and patience on both sides, the merger was successful.

Over the past 10 years, RMJM has trained and worked with more than 100 Saudi professionals and technicians. Fortunately, English is the second language of Saudi Arabia. The regional plan set the framework for both urban and rural distribution, emphasis and pace of growth. It is an unforgettable sight. They walk calmly in a great crocodile down the steps from their jumbo jet and

smaller towns was determined. It took 15 months of intense surveys and information collection to reach the stage of predicting the patterns of growth and change in the region over the 20-year plan period.

This was then presented to the High Committee — the supreme decision-making body of the client, Jiddah, the committee was informed that a population of 371,000 in 1971. By 1991, the city would grow, based on permutations of a range of factors, to somewhere between 700,000 and 1,650,000 people. Silence and disbelief met this statement.

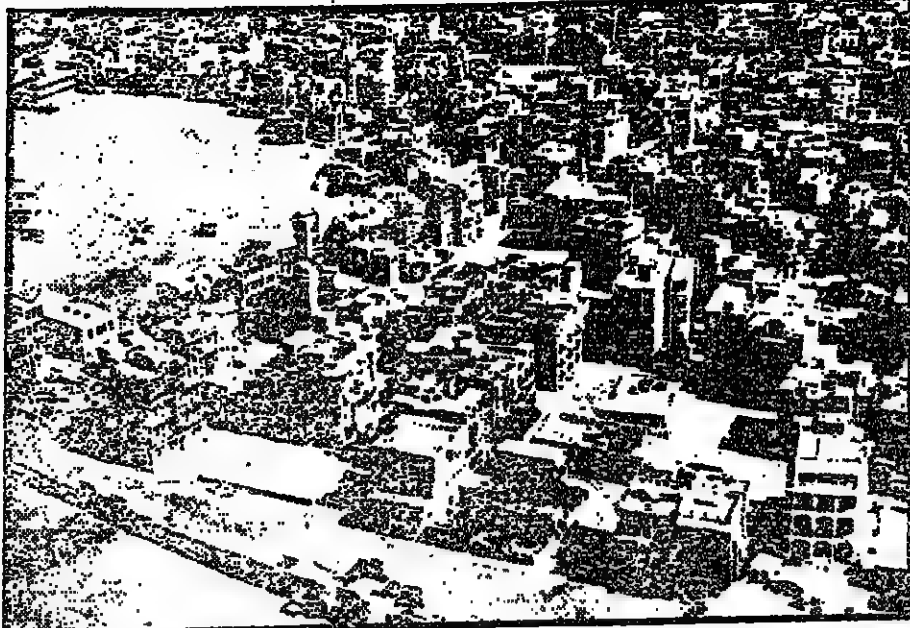
It then took some time for the consultants to explain and convince the committee that they were not being irresponsible, but that sticking a pin in a chart with a population figure for 1971 and with no earlier statistical information, made precise predictions impossible. In any case, the more precise the prediction the more likely it would be to be wrong.

So, instead of a traditional master plan concept, each city's plan was prepared as a flexible strategy able to respond to changes during its implementation. However, it was agreed that the roads and essential services — water, sewerage, electricity and telecommunications — should be designed to meet the maximum growth targets. This became the key to the next five years' development.

By 1973 each city had an approved plan with what was, at that time, ambitious prospects. The second national five-year development plan for 1975-80 was in preparation, and its implementation, backed by ever increasing oil revenues, led to a boom in the mid 1970s. Jiddah received the brunt of this dynamic and dramatic growth. The city's growth rate reached a peak at about 16 per cent a year and averaged 13 to 14 per cent over this period, a doubled rate in five to six years.

This gave Jiddah the distinction of being one of the fastest growing cities in the world. In place of this growth in the content of a programme of providing essential services (taken for granted in Western cities) and you have some idea of the magnitude of the task the city had to cope with. The amount of water required to meet this population increase was immense. Jiddah One, the desalination plant recently opened and a landmark in the desert by the sea at that time — was followed and dwarfed by Jiddah Two, Three and now Four.

In 1972 desalination provided five million gallons of water and 50 MW of power a day. When Jiddah Four opens, 75 million gallons of water and 850 MW of power will be available. It was a similar uphill fight to provide new roads and multi-level intersections (80 are completed or under construction) to cope with the traffic growth. The sewerage, electricity and telecommunications systems likewise underwent great rapid expansion. So great were the pressures that the Municipality Co-ordinating Committee, under the chair-



The old city of Jiddah before its fortified wall foreground pulled down in the late 1940s. Right: the city today.

man of the mayor, Shaikh Mohammed Said Farsi, used to meet daily.

Today this frenetic rate of growth has abated. Three years ago RMJM's low population target for 1991 was passed and plans for a city of two million are now approaching reality. Consultants seldom see their plans realized because the funding and expropriation to achieve them proceed at a snail's pace. The opposite has been true here.

Progress and preservation

Mainly because of the impetus and concern of the mayor, a major attempt has been and continues to be made to create an Arab city of the twentieth century. This no doubt sounds a contradiction in terms as, for example, the car and its attendant highways are far removed from the scale and environment of the historic Arab city. This is centred on the mosque, the suk, or market place, and merchant family homes designed to give privacy, shade and enclosure, all tightly clustered around narrow, often canopied, alleyways.

But the essence of this lifestyle — the home and family where relations and friends meet and entertain one another, the public separation, in schools for example, of the sexes, the lack of theatres or cinemas (this is why home video television is so popular) — is, and will remain, a reminder that this conservative and religious society wishes to preserve a way of life consistent with both history and progress. Expatriates must understand and respect this way of life if they wish to come to terms with living in Jiddah.

Applying this understanding to the built environment is no easy task. As well as preparing the master plan and many detailed studies, RMJM carried out two projects, the development of the sea-coast and the conservation of the old city, in which these social and cultural values could be considered and applied.

Corniche creates interest

Jiddah has been termed the Bride of the Red Sea. Development in the 1950s and 1960s had turned its back to the sea. With large areas of shallow water made stagnant and oppressive by the lack of tidal movement, reclamation was first mooted in the master plan and with it, came the opportunity to create recreational areas and make the best use of open spaces. This concept was developed in the detailed plan prepared for more than 120km of coastline, including Sharm Obhur, the 7km deepwater, natural fissure 35km north of the city centre.

The backbone of the corniche design was a recreational road, landscaped and moulded into contours created to relieve the totally flat landscape. Where the shallow shelf between the land and the 30 metre deep reef allowed, the road curved into the sea. The central divide between the carriage ways was varied in width to give interest and allow landscaping, including sea-water pools and fountains. This route served a linked series of small picnic and parking areas and, occasionally, small centres comprising a marina, beach houses, cafes and restaurants and a mosque.

The northern arm of the corniche was to some extent affected by the existing seaside villas and compounds, but the open areas, and particularly the reclaimed areas, allowed large areas of public open space to be created. The southern sector was less developed and a more imaginative and creative plan could be achieved. It is envisaged that part of this southern sector will become a city by the sea, with marinas, hotels and holiday homes available to the people of Mecca as well as those of Jiddah, as the completion of the motorway between Mecca and Jiddah will vastly assist travel between the two cities.

This new route will also help to open up the southern part of Jiddah. The central sector of the corniche

achieved two vital city functions. Reclamation allowed the central business area to expand seawards instead of eastwards into the old remaining historic core, and new cross-city roads, car parking and open spaces could also be established. The central and northern sectors are nearing completion, and a start has been made on building towards the south.

The emphasis on small open spaces for picnicking and children's play, rather than on massive recreational features or development, was deliberate. It allows and encourages families to drive from their home to the sheltered spot by the sea to sit, eat and relax, one of the elements of a stable society and consistent with the traditional pattern of Islamic family life.

Old city and its conservation

The impact of this tremendous growth on the old historic city was inevitably severe. However, large groups of old buildings still survived. Only a slight touch of imagination is necessary in these areas to visualize the scenes described by Burton and T. E. Lawrence — the latter gives a brief but vivid account of Jiddah in *The Seven Pillars of Wisdom*. As it happened, to a large extent these areas survived by the driving of a dual carriageway through the old city in 1955. This acted as a boundary line to separate the multi-storey new developments in the business district west of the new road, towards the sea, from the relative backwater to the east.

The municipality recognized, however, that a complete study was required for the old city area and RMJM started this in 1979. There were two main objectives. First, to ensure, as set out in the master plan, that the central area would remain the principal business, shopping and commercial centre of Jiddah and, second, to protect and conserve the social and physical fabric of the remaining historic areas.

The building by building survey (including a photographic record) showed that more than 1,000 traditional coral limestone structures, many with ornately carved wooden bay windows, lattice-work balconies, casements and roof-top terraces, still

survived. These were mainly two to four storey town houses interspersed with merchant palaces, mosques, caravanserais and a school, set along a system of narrow alleyways and small irregular open spaces. It still comes as a surprise to those who visit or live in Jiddah to find this immensely rich heritage.

Of the four courses of action suggested, the municipality boldly elected to develop the one which offered the greatest conservation gain. Now, 537 historic buildings, in five conservation areas covering a total of almost 60 hectares, have been designated for protection and enhancement. A new municipality office, under the direction of Amr Darwish, the leader of the RMJM Saudi team during the study, has been established

and strict regulations control all aspects of conservation and development within the entire old city area.

It is too early to tell if all of RMJM's ambitious plans will be implemented but the mayor and his staff are convinced that saving the old and creating the new are essential and complementary aspects of the same goal. Jiddah — The Open Air Museum is the title of a calendar for 1981. The wealth of sculptures, fountains, gardens, and planting associated with new roads is transforming Jiddah from a city with only one tree — still standing at the entrance to the most famous of Jiddah's merchant family homes, the Nasif House — to a green and spacious city. Henry Moore sculptures adorn the lagoon corniche

bridge in the city centre and illuminated water shows into the lagoon in front of a guest palace; a fountain nears completion the roundabout as the centre is entered from north, and, at intervals throughout the city, sculptures, terraces, gardens are rising step by step. Cynical observers dismiss these as frills. They are not. Within context of so many mental pressures, it has been too easy to lose sight of quality grace in shaping the city. The mayor is an architect and city planner. This ground coupled with foresight, has taken through a tumultuous future with strength and hope.

A NEW BRIGHT STAR IN THE KINGDOM

Haden International is proud and honored to have been awarded by the prime contractor, Hochtief AG, of Essen, West Germany, with the principal electrical engineering services for the new phase of the King Abdul Aziz International Airport, Jeddah.

This is the latest of a number of major projects in Saudi Arabia where Haden International has been associated over many years. Others include the King Fahd Specialist Hospital, Riyadh; the University of P.O. Box and Minerals, Dhahran; RSAP defense projects at Jeddah, etc.

Haden knows about airports. And hospitals and universities and military and civil, and hotels, and shopping centers and more.

From project inception to contract completion, Haden International provides a total service in the fields of design, planning, procurement, construction, operation and maintenance for all forms of building, industrial and process engineering.

HADEN INTERNATIONAL

Haden International, Lynton House, 7/12 Tavistock Square, London WC1H 8LZ. Telephone: 01-387-1288. Telex: 267817 WARMIS G.

A MEMBER OF THE HADEN GROUP

SAUDI CAIRO BANK

Saudi Cairo Bank wishes to join in congratulating

His Majesty King Khaled Bin Abdul Aziz

H.R.H. Crown Prince Fahd, First Deputy Prime Minister

H.R.H. Prince Abdullah, Second Deputy Prime Minister and Commander of National Guard

H.R.H. Prince Sultan, Minister of Defence and Aviation

And the people of the Kingdom of Saudi Arabia upon the Grand Inauguration of the King Abdul Aziz International Airport in Jeddah.

HEAD OFFICE:
Al-Faha Building,
Madina Road,
P.O. Box 426,
Tel: 6530251-6531019,
Tlx: 400205 BKCAIR SJ
Tlx: 407524 SCB FX SJ
Cable: SAUDICAIRBA
JEDDAH

Al-Faha Main Branch:
Tlx: 402205 BKCAIR SJ
P.O. Box 496, Jeddah.

City Branch, Jeddah:
Tlx: 401059 BKCAIR SJ
P.O. Box 472, Jeddah.

Sheraton Branch:
Tlx: 4002205 BKCAIR SJ
Attention Sheraton
P.O. Box 496, Jeddah

Al-Riyadh Branch:
Tlx: 2002272-4
201051 BKCAIR SJ
P.O. Box 2848, Riyadh

Women Branch:
Jeddah
Al-Masir Street,
Riyadh.

Al-Hamra Branch:
Al-Hamra Women Branch,
Bab, Mecca Branch.

Al-Khobar Branch:
Tlx: 67001-4
671332 BACAIR SJ
P.O. Box 43, Al-Khobar.

Khamis Mushait Branch:
Tlx: 901670 BKCAIR SJ
P.O. Box 711,
Khamis Mushait.

Abha Branch:
Tlx: 901044 BKCAIR SJ
P.O. Box 664, Abha.

Mecca Branch:
Dammam Branch.

S.S.T. Co.

SADELM SHAKER TAMIN

1 S.S.T. Co. have been working at K.A.I.A. since 1978

2 Jobs executed or Work executed:

Outside Cable Plant, Phase I: 600 Km. of H.V. cables for airport distribution.

Load Centres 2-3-4: Mechanical installation of 22 chillers, associated piping, air-conditioning, fire protection systems and building automation systems.

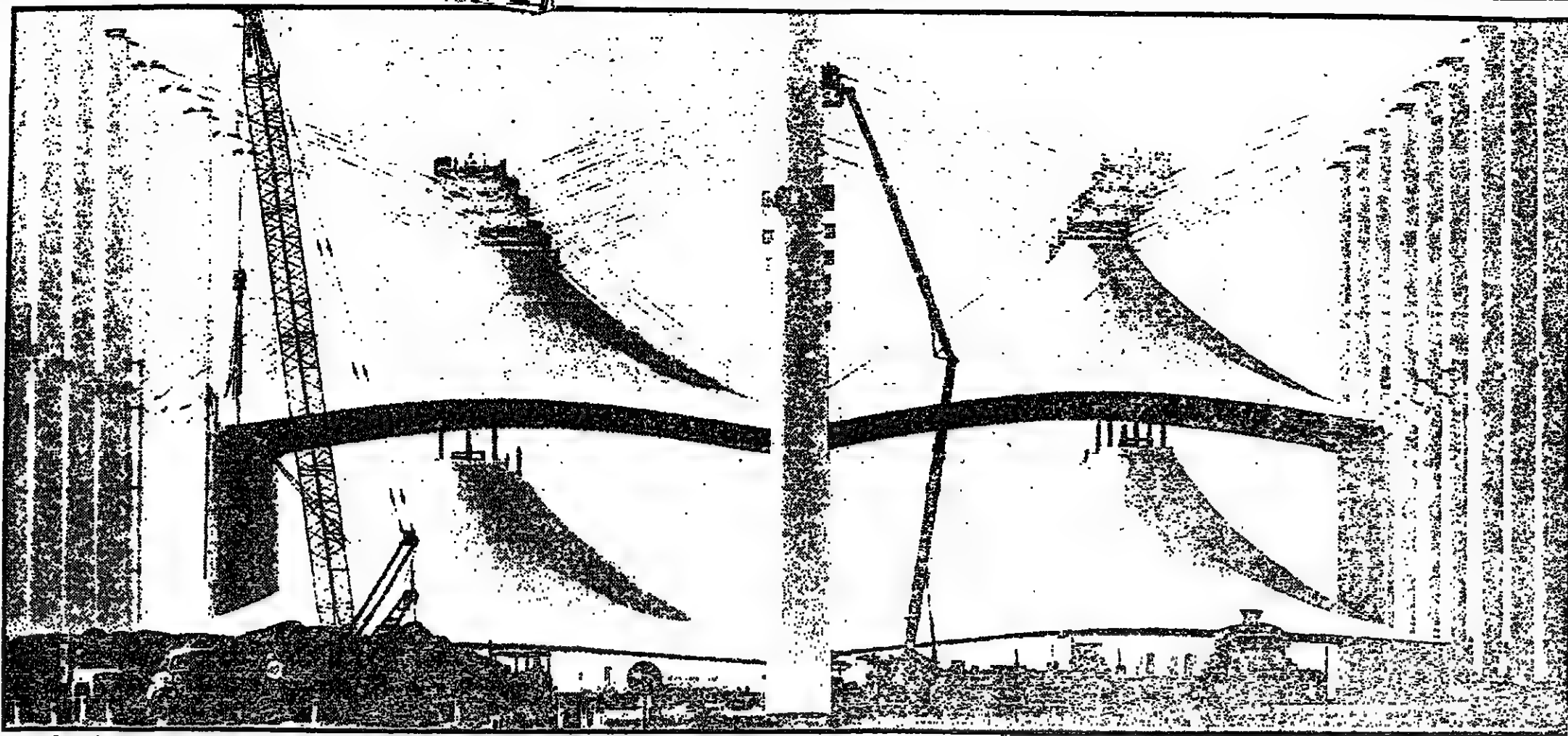
Haj Terminal Complex: Electrical installation HV, LV, power, lighting and fire alarm.

Outside Cable Plant, Phase II: In consortium with A.E.G. Telefunken for the supply and installation of 1000 Km. of HV cables.

3 Manpower employed: about 120 Italian expatriates and 200 workers from Zaïre.

NEW JEDDAH INTERNATIONAL AIRPORT
P.O. Box 1791, Jeddah Telex 401726 DINA SJ
Telephone 6692700 Ext. 4711, 4712.
Paseggiata 25 Milano - Italy.

مركز من الاصل



Parabol roofs being hoisted on to the Haj terminal.

Construction

Delays and overdesign contribute to huge cost

In spite of its many impressive features, the new Jeddah international airport is not without critics among contractors to Saudi Arabia. Its extraordinary cost causes the most persistent comment. Between the airport's conception in the early 1960s and its official opening later this month, at least \$5,000m will have been spent on construction work.

Further facilities are to be built at the site in the 1980s, including a Royal Saudi Air Force base, a Saudi maintenance building, a hospital, further desalination units and general aviation facilities. This could push the final bill for the airport as high as \$10,000m.

As a senior executive with Parsons Daniel, the company managing the construction, commented in early 1980, it may not be the biggest construction project the

world has seen, but it is probably the most expensive. In addition to the lengthy delays in getting work going, at least two other factors contributed significantly to the project's huge final cost. The first was the tendency for foreign architects to overdesign the facilities to be built at the airport. The emergence of locally-owned consulting companies conscious of Saudi needs and of the constraints on construction in the kingdom's harsh environment will help to prevent a repetition of this difficulty.

The second was the lack of trained engineers in government departments with the skills to monitor and criticize how the project was being designed and put into effect. Contractors say that the number of technical staff in Saudi government departments has grown dramati-

cally in recent years. This has increased the kingdom's ability to get value for money in other public sector construction projects. Jeddah airport's costly lessons have been absorbed, ensuring that spending on other big projects has been kept within reasonable bounds. Tarek Shawaf of Saudiconsult, one of the first Saudi-owned consultancies working in the kingdom, says. As a result, there will be a "fantastic disparity" between the cost of building Jeddah airport, and the new international airports in Riyadh and Dhahran, to be completed in the 1980s. "We have learnt the lesson", he adds.

The Jeddah airport was planned in what has become the standard Saudi way of handling huge turnkey projects. A consultant was appointed to act as manager for construction work, in

this case the joint venture Company Parsons Daniel. This is owned by Saudi investors and two American companies. Daniel International Corporation and Ralph M. Parsons. The latter is also a partner in Saudi Arabian Parsons, which manages the massive Yanbu industrial city project on the Red Sea.

As contractors hurried to meet deadlines in late 1980 and early 1981, more than 11,000 men were working on site. More than 70 contractors from 35 countries were involved in a variety of capacities. A 200 cubic metre-a-day prestressed concrete manufacturing plant worked flat out to meet contractor's demands for building materials.

The airport's main features are its three terminals. The Haj terminal, being built by the West Germany firm of

Hochtief to designs by Skidmore, Owings & Merrill, was an international talking point well before its parabol roofs were hoisted into place. The south terminal, designed by Edward Durrell Stone of the United States, was the first to be finished. Also built by Hochtief, it has high convex roof sections, built mainly from cast-in-place concrete. The terminal forms one side of a courtyard, which is also surrounded by a mosque, airport offices and an hotel. It will be used exclusively by Saudi passengers.

The smallest terminal is sited in the north of the airport close to the Haj building. Built by Hochtief and designed by Edward Durrell Stone, it is to be used by passengers travelling with other airlines.

Lying midway between the northern and southern ter-

minals is the \$100m Royal Pavilion building. It was designed by Minoru Yamasaki of the United States, architect for New York's World Trade Centre. Features include a solid copper roof and an approach road lined with palms, specially flown in for the project.

A range of international contractors were responsible for other important elements of the airport. A French consortium, Sodeg Engineering, built the hangar to accommodate the Royal Family's Boeing 747s. Japan's Sumitomo is building the giant desalination plant and Petrol International of Greece installed the underground fuel pipes.

As more of the airport is completed, new problems will emerge. The first is the enormous amount of foreign manpower, both skilled and unskilled, that will be needed

to operate and maintain the buildings and services in the airport.

The second is providing insurance cover for the project. Despite Islamic strictures about insurance, a contract has been awarded to Ghath Pharaoh's United Commercial Agencies (UCA) to arrange cover for Jeddah. If it is handled in the same way as it was for the Royal Commission for Jubail and Yanbu, the business will be delegated to Saudi-controlled offshore insurance companies. Sensitivity about this whole issue is likely to mean that the final insurance value of the airport will never be revealed.

Edmund O'Sullivan

Staffing worry

Having one of the world's most advanced, computerized airports on their soil is going to cause acute manpower problems for the Saudis. Because of the small indigenous population and the lack of necessary skills, the country's development schemes are already heavily dependent on foreigners. The new airport will increase this dependence.

When in full operation the airport will need about 11,000 staff. This figure may rise to 15,000 by 1985. The Haj terminal will use additional staff for the 10-week Haj period. Saudization is a keynote of the new five-year plan, especially in such spheres as oil, Saudi (the national airline), and the new airport. However, the Saudis are going to be unable to fulfil such staff requirements themselves.

Last year the Saudi Civil Aviation Presidency prepared an extensive study on the manpower difficulties of the new airport and submitted it to the Government. The result has been that about 150 Saudis are studying some branch of airport management abroad, largely in the United States and West Germany, sponsored by the American managing contractor, Parsons Daniel, and the airport construction company, Hochtief of West Germany.

Under a landscape and soil stabilization programme, 72,000 trees will be planted around the airport perimeter. An underground supply of recycled and cooled waste water from the airport buildings will nurture them, each small group of trees having its individual supply. A 100-hectare nursery has been set up on the airport grounds. It will produce 15,000 trees a year, making it one of the largest nurseries in the Middle East.

Two and a half million flowers and shrubs have already been planted, and reinforcement of the nursery will be introduced over the next few years. A green, rapidly spreading plant that requires only two waterings a year has been chosen for cultivation in both the outer areas and alongside the runways, to prevent soil erosion. Eventually the airport will be the most concentrated belt of greenery around Jeddah, and it is expected to affect the climate of the city.

Shrubs and flowers transform desert

The site of the new airport consists of 40 square miles of stony desert which may be whipped up by high winds into ferocious sandstorms, a hazard to any air traffic. To counteract this, and to make the airport look less bleak, the Saudis have given huge contracts to landscape companies to turn the area into a permanent green belt.

The gardens around the terminal buildings have been designed by Islamic landscape artists from many parts of the world. They embody the traditional designs seen in the miniature paintings of India and Iran, the gardens of Baghdad and Damascus during the period of the famed Arabian Nights, and the Moorish gardens of North Africa. A stream, fountain or waterfall is usually the centrepiece.

Jamal Rasheed

The Government of the Kingdom of Saudi Arabia, Ministry of Defence & Aviation and Inspectorate General announce the Inauguration of The New King Abdul Aziz International Airport Jeddah, Saudi Arabia

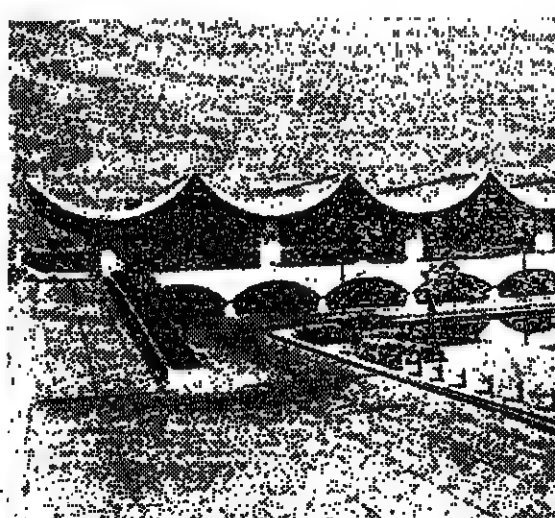
The International Airports Projects of the Kingdom of Saudi Arabia was formed in 1976 as an arm of the Ministry of Defence and Aviation under the leadership of His Royal Highness, Prince Sultan.

The mission of the IAP is to plan and build airport facilities vital to the continued social progress and economic growth of the Kingdom. It is headed by Brigadier General Said Yousef Amin, who serves as Director.



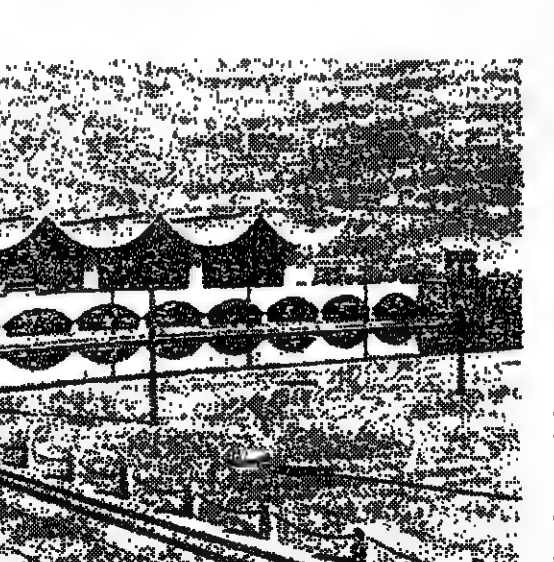
Currently, IAP is opening one new International Airport and building another. The new King Abdul Aziz International is located at Jeddah. King Khalid International is being built near Riyadh, Capital City of Saudi Arabia. At the same time, planning is underway for a third new airport in the Eastern Province.

The airport projects are part of the Kingdom's development program being led by His Majesty, King Khalid, His Royal Highness, Crown Prince Fahad, and His Royal Highness, Prince Abdullah, Second Deputy Prime Minister and Commander of the National Guard.



The three new airports are destined to play a major role in the overall transportation program of the Kingdom and will help the Kingdom fulfill the goals established by the King and the Council of Ministers in the Five Year Development Programs.

Work on KAIA began in 1974 during the reign of the late King Faisal. That same year, initial planning began on the second of the three airports being constructed by IAP—King Khalid International.



Work on KKIA is now over 30 percent complete and the airport is tentatively scheduled to open in 1983.

It will also serve as a gateway to the big shipping terminal at Ras Tanura, the world's largest oil port. EPIA is still in the planning stages and no date has been set for the start of construction.

Both KAIA and KKIA have master plans which provide not only for current needs but also set aside space for future needs. The design and location of the airports are such that the impact of noise, air pollution and congestion will be reduced to a minimum.

IAP is "tracking" current needs and projecting future needs by computer in order to assure that additional airport facilities are available as the Kingdom's needs continue to grow.

All three airports will stimulate growth in the private sector of the economy. They will generate thousands of new jobs related to the air transportation industry.

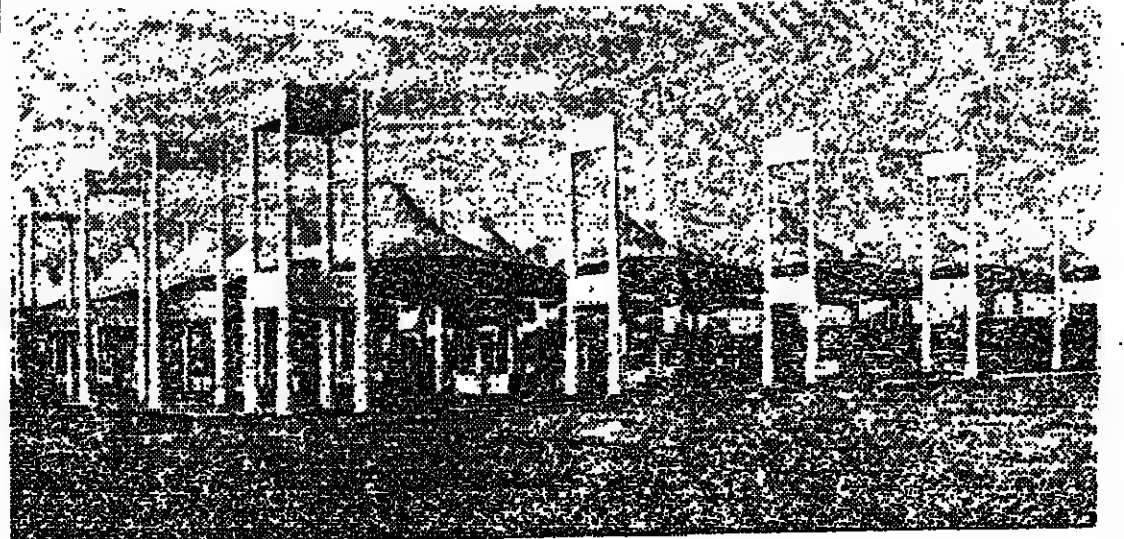
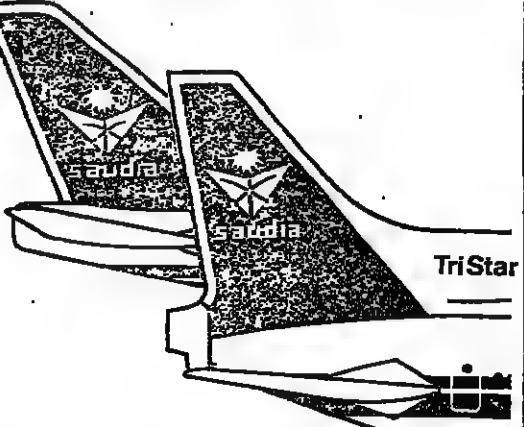
Not only jobs with airlines but in other fields as well, including air cargo handling, food service, air traffic control, ground transportation, hotel operations and merchandising.

In addition to being centers of economic activity and operating air terminals, the airports will be places of beauty. Their designs are true to Islamic architectural traditions and they compliment the natural beauty of the desert that surrounds them.

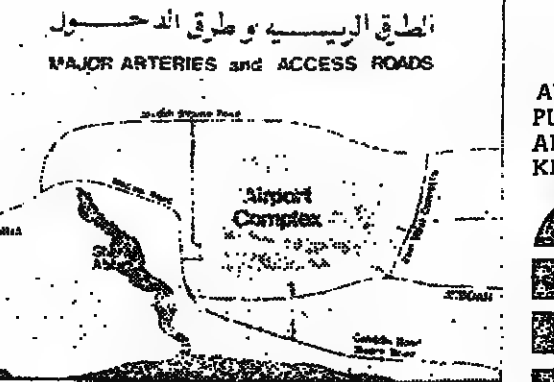
It is the goal of the IAP to provide a balanced, systems approach to meeting the Kingdom's air transportation needs.

IAP is a service organization whose personnel are dedicated to providing well-designed and well-operated facilities. As General Amin points out: "We must care not only about the function of the buildings but also about the beauty of the buildings and their relationship to the Saudi environment."

By playing a role in raising the standard of the facilities provided to the citizens of the Kingdom and their guests, IAP also plays a role in raising the standard of living in the Kingdom.



The third airport scheduled for construction by the IAP will be located near the Arabian Gulf on a site near the cities of Dhahran and Dammam. The New Eastern Province Airport will serve the big new industrial complex, port and naval base at Jubail.



The religious environment of the Kingdom will be evident at each airport. Mosques in each terminal building will offer peace and tranquility for Muslim faithful who turn each day toward Mecca to pray.

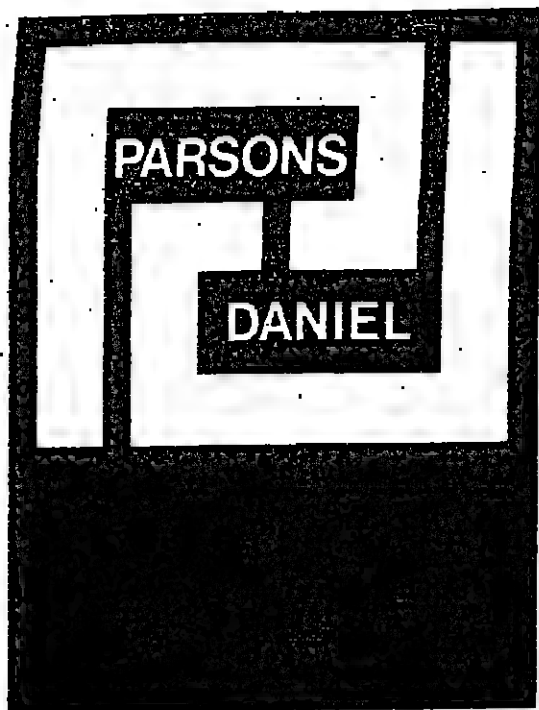
Both KAIA and KKIA are being built to operate in the most efficient manner possible, utilizing the latest in airport technology.

For color brochures describing the new King Abdul Aziz International Airport please write: PUBLIC RELATIONS, INTERNATIONAL AIRPORT PROJECTS, P.O. BOX 6526, JEDDAH, KINGDOM OF SAUDI ARABIA.

Gentlemen:
Please send color brochures describing the new airport to:

NAME

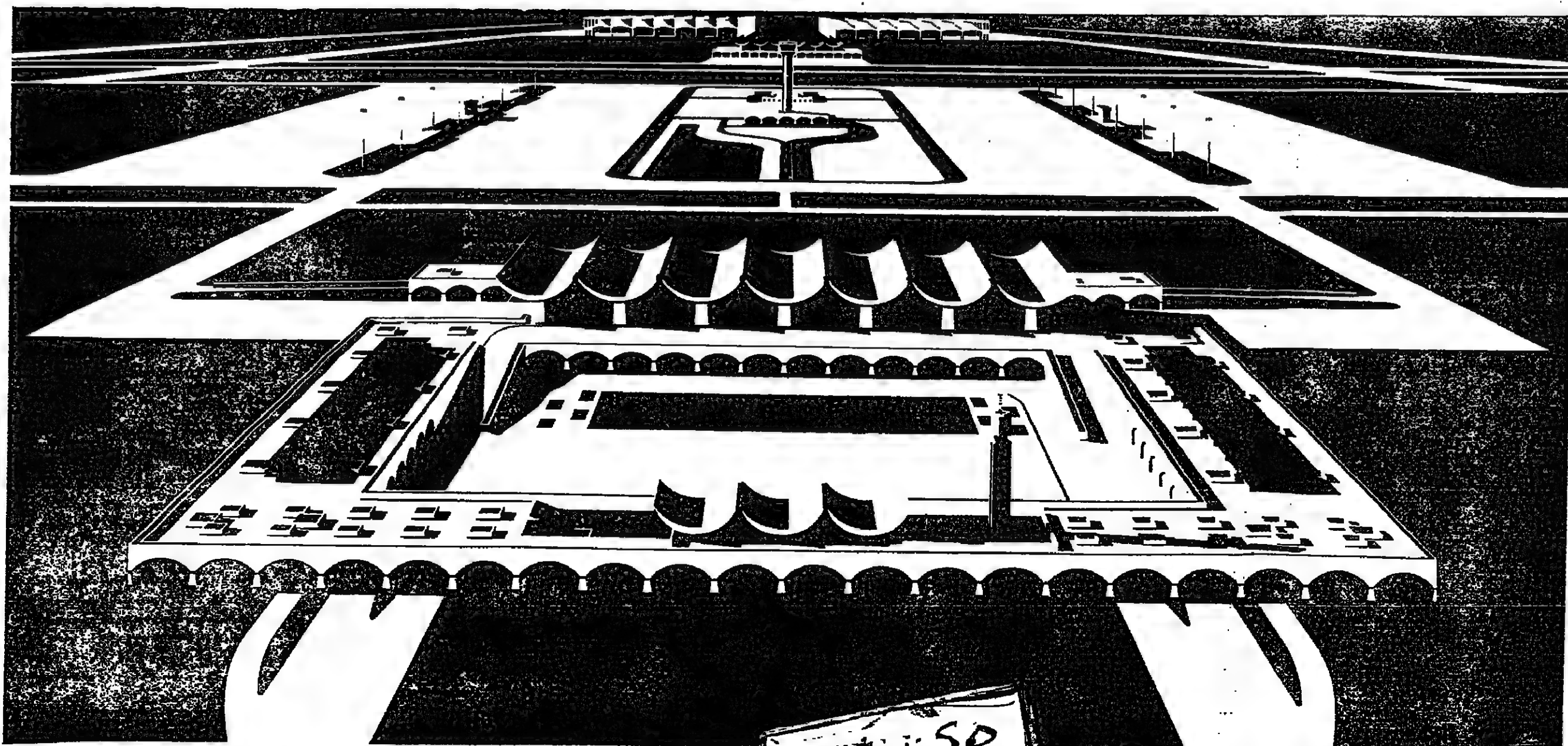
ADDRESS



Saudi Arabian Parsons Ltd. and Daniel International (Saudi Arabia) Ltd. A Joint Venture

CONSTRUCTION MANAGERS

King Abdulaziz International Airport Jeddah, Saudi Arabia.



هكذا من الاجل

Geoffrey Smith
reports from
Washington.



Photograph by Diego Goldberg

his economic measures for this to be accounted a considerable political success. So long as economic policy remains the principal basis of his administration, in domestic matters, as it is at the moment, his Republican support in Congress is likely to remain firm.

But it is liable to split once he moves to social policy and tries to satisfy the requirements of the Moral Reformers on abortion and school prayers, for example. At the moment, these issues are well down the administration's list of priorities and the longer Mr Reagan's relations be with Congress. The shouting and his increased popularity should give him an extra period of grace.

For some time, therefore, the shouting should lead to the Kennedy press initiative being conducted even more in the style in which it would have been run anyway, to still better relations with Congress and possibly to the postponement of the Kennedy initiative which would most divide his support. But the critical question remains how long he will be incapacitated.

It is one of the harsh rules of American politics that no president presides for ever on his early popularity; it has to be earned and re-earned.

operate within London auctions varies from speciality to speciality. Where dealers regularly make up the bulk of the purchasers in fields such as carpets, silver, jewelry, and books, it is common for arrangements to be made over who is bidding and who is not. Most of these dealers who are old colleagues meet each other regularly both at work and play. It would be extraordinary if they did not do so.

In theory the auctioneer can and should protect his clients from such combinations by set-

pressure would appear relevant to that."

Political activity by charities is not forbidden by the commissioners. It is hard to see how it could be, in the broad sense. Many charities, like the Howard League and the Lord's Day Observance Society, exist principally to affect public opinion. Lobbying is allowed as long as it is ancillary to the charity's main purpose. The commissioners set their faces against overt party politics and indirect attempts to influence elections.

Bodies which narrowly fail to gain acceptance, or have to forego activities that the commissioners integrate in our society, may be bitterly aggrieved. But it would be impossible to extend charitable tax concessions to the whole field of political activity. The public may swallow a tax exempt Eton, but scarcely a tax exempt Communist Party. One can only hope that the intermediate status for the controversial charities, with a lower rate of tax relief, that would create more boundaries, but the penalties for finding oneself on the wrong side of them would not be so steep.

George Hill

Geraldine Norton
Salesman, Carlton

it is only extended over 140 square miles of territory.

The Major's power is exercised through the militia forces—whose presence at all blacked and check points give "Free Lebanon" a superficial appearance of order that disguises the anarchy and lawlessness. Although there is one court—crudely described as "part military, part civil"—little is heard of its deliberations.

Assessment of military fatigues, commitment of military resources, often incomplete, with wide-spread intermittent hates, Haddada's fighters are the twentieth century version of the cowboy.

At every turn, the physical appearance of "Free Lebanon" displays sorry evidence of the vicious fighting which has dominated its existence in recent years. In some villages, every house still standing is deeply scarred with bullet holes, while in others the narrow, low rooms are pockmarked with recent shell or rocket attacks.

In the towns, particularly the market centre of Bint Jbeil (until 1978 a noted Palestinian stronghold) there is something of the devil-may-care attitude which affects all societies at times of war: the Arab women

their counterparts in Arab countries, smugly abundant and carelessly assembling variety of plates in some cases plates at all.

As for a "republic" no government, no authorities, no elections, police and no official "Free Lebanon" has no services of its own. Most water is supplied free by the while much of the electricity comes from Lebanon and free of charge. In the Major Haddada has been to use his head of state to provide an unstable rule of his presence if any is made to cut the electricity supplies.

Although shelling, attacks and shooting are a daily occurrence, there are occasional signs—such recently opened port of Bint Jbeil—that just a slight semblance of life is beginning to return with the United Nations commander now on request determined to fulfil his date and restore the sovereignty, the future is as uncertain—and as

Geraldine No
Salerno, Calif.

their' counterparts in Arab countries, plentiful and abundant and can be astonishing variety of plates or, in some cases plates at all.

As befits a "republic" no government, no military authority, no official police and no official "Free Lebanon" has services of its own. Most water is supplied free by while much of the electricity comes from Lebanon and free of charge. In the Major Haddad has been to use his heavy artillery provide an unspeakable of his presence if any is made to cut the electricity supplies.

Although shelling, sniping and shooting are a daily occurrence, there are occasional signs—such as recently opened post of Bint Jebel—that just a slightest semblance of life is beginning to return with the United Nations commander now on request demand to fulfil his duty and restore Lebanese sovereignty, the future is as uncertain—and as bleak as ever.

هكذا من الأصل

THE ARTS

Polanski makes the best shot yet at filming Hardy

Tess (A)
Empire, Leicester Sq.Superman II (A)
Varner West EndPopeye (U)
Leicester Sq.Rock Show (U)
Classics, Oxford St.
and Westbourne Grove

Thomas Hardy, the grandest of English novelists, has always tempted film-makers. There is a silent *Tess* of the 1920s, with Blanche Oelrichs, and John Gielgud's brave and beautiful *From the Madding* in 1966, and that is all. No one yet has dared the what might be supposed of his most supremely cinematic novel, *The Mayor of* *Widcombe*. If it is no real

pliment, then, to Roman uski that his *Tess* is the of all Hardy pictures, this is to be fair, as appreciative an adaptation of the writer as anyone is likely to achieve.

The challenge of Hardy is the range of his vision: the towering grandeur of human passions displayed often in mean familiar people; the sense of an inexorable fate drawing our ends; the deep curiosity in the countryside and the doings of its people; the regard for the commonplace which, said Lascelles Abercrombie, "became in his hands something rich and strange".

Polanski, the émigré Pole working in France, has met the challenge bravely. It is a triumphantly to recreate Hardy's "Wessex" in Normandy. The landscape is near enough to Southern England and at the same time strange enough, geographically, to suggest the distance of a different century. The bare interiors of the stone cottages, the wide fields, the dirt roads rutted by the carrier's cart, all caught in the gold-like photography of Geoffrey Unsworth and Chislin Cloquet, brings to life the vision of Victorian painters of the rural scene.

Sometimes, it must be confessed, the attempts to realize the detail of Hardy's countryside look a shade self-conscious, as if a documentary on agricultural archaeology. But he world does look real and uncanny; and the people Polanski has been wiser than Schlesinger in avoiding star names belong to.

Hardy's fascination with his female characters did not always exclude limitations of vision imposed by his time and background. Polanski sees *Tess* as much abused by the double standard of Angel Clare (Peter Firth) as by the cynical seduction



"The cynical seduction by Alec D'Urberville": Leigh Lawson with Natasia Kinski as Tess

tion by Alec D'Urberville (Leigh Lawson) — from a distinctly twentieth-century viewpoint, but the character is equal to fresh interpretations. Natasia Kinski has the right sort of beauty for Tess, intermediate between peasant and aristocratic, and manages the rustic accent amazingly well. Any insecurities as an actress are turned to advantage for Tess's own uncertainties. She proves able to follow Polanski (and Hardy) through the wide range from the absurdity of her lost boots to the high climactic pitch of the final scenes on Stonehenge. The murder of Alec affords Polanski a characteristic bloodstained and gleeful moment all his own.

Geoffrey Unsworth, the fine British photographer who died during the making of *Tess* in 1979, is also credited as principal photographer of *Superman II*, which suggests that not a little of this sequel, directed by Richard Lester, was shot at the same time as the original *Superman* directed by Richard Donner — a method that the film's producers, the frugal Salkind family, initiated with *Three and Four Musketeers*.

In fact the film assumes (probably safely except in the case of the very juvenile audience which has only arrived at film

going age since 1979) that spectators are already closely familiar with the first film. *Superman II* opens with a flash-shot résumé of the old story which would be wholly incomprehensible to anyone who had not actually seen it, and goes on to rely upon a fairly precise knowledge of the people and situations.

Superman (Christopher Reeve), in between saving the world from assorted catastrophes, disguises himself as Clark Kent, a gauche and bespectacled reporter on the New York Daily Planet. There he is mildly bullied by the editor (the former child star Jackie Cooper) and offhandedly tolerated by the star reporter, Lois (Margot Kidder), too infatuated with her dreams of *Superman* to notice Clark's dogged devotion.

The biblical parallels are even more evident here than in the original. The three fallen angels cast out in the prologue to the first part are now released when *Superman* unwittingly carries a nuclear device into the cosmos in order to save Paris from destruction (such being life), and descend with their evil upon the earth (by which we must understand the United States).

Superman so loves Lois that he allows himself to be made

man. For the sake of one night of mortal love, he faces all the persecution of the divine being deprived of superhuman powers. Somehow or other, however (a lacuna in the scenario) he regains his celestial powers in time to worst the powers of darkness, choosing King Kong's one-time Gerbsemane, the Empire State Building, as the scene of the crucial confrontation.

There is no real doubt that *Superman II* will go on to much the same triumph as its predecessor. Can it be that its special attraction lies in these subliminal throwbacks to early religious memories? Or is it simply that the films dislodge the primitive appetite, barely suppressed by veneers of cultural sophistication, to be told of childish simplicity, wonder and foolishness. *Superman's* adventures, certainly, could be no sillier—suspending our disbelief, of course, by the expertise of the technology, the pretentiousness of the art work, the effacing charm of Christopher Reeve and Margot Kidder and the touches of sharper wit in Gene Hackman's personification of the cheerful arch-villain Lex Luthor.

The latest American hero to fall victim to the current craze for humanizing the people of

strip cartoons is Popeye. The idea for the film was around for quite a time, since the producer Robert Evans acquired the film rights to the cartoon character created in 1929 by E. C. Seager. Various directors apparently contemplated the project; and at one time Dustin Hoffman, no less, was considered for the title role.

Robert Altman, who finally made the film, is, with his ebullient, try-anything eccentricity, perhaps the best possible choice for what still seems a dubious undertaking. It is one thing to put actors into the roles of *Superman* or *Flash Gordon* or *Batman*, who were, after all, designed in idealized human form; all that is needed is to find such ideal humans as Christopher Reeve. Popeye, however, was what he was and is, a different sort of undertaking, conceived from the start as an outrageous caricature of humanity.

No human face could ever take on the extravagant contours of Popeye's mug. A downturned slit of a mouth seemed to bisect the head. Below it was a vast, outjutting and runcible chin, overhung by a pendulous red bag of a nose. Above the mouth, surmounted by crayon eyebrows, were the eyes, one

a blind slit, the other a mal-voled little glittering circle. All Robin Williams (a bright new comedian from television) has to suggest the Popeye person is the stump pipe, plastic pneumatic biceps and a game stab at the dyspeptic mumbblings of the comic book Shelley Duvall, marvellously as she does the squeaks and cries and incessant complaint of Olive Oyl, can suggest no more than a shadow of Olive's yielding hairpin figure and perfectly spherical pea-head.

Still, everyone goes at it with enthusiasm, even if it is not quite clear exactly why. Altman feels the attraction is that the story is about a hero—be it human or imperfect—somebody I think we can all identify with. He is not a robot."

Jules Feiffer's script has Popeye rough ashore at the ill-disposed port of Sweethaven, which is terrorized by the tax collector, by Olive's brutal suitor Elmo and by a mysterious, roving known as the Commander. Popeye's hosts, the Oyl family, are serenely uninterested in his confidences that he is an orfink in search of his long-lost pappy. His haphazard courtship of Olive is blessed when they acquire the foundling child Swee'pe (played with verve by the director's baby grandson), an infant of occult vision.

Sweethaven, with its crazy, rotting wooden structures sliding into the seafront, is a masterpiece of set design (the production designer is Wolf Kroeger), and both it and its awful denizens come to life most vividly in Barry Nilsson's musical numbers, of which there are all too few. When they return to the plot, it all gets laborious, and leaves adult audiences to explain it away as a children's film; though children, equally, are as likely to disown it.

In terms of the speed with which pop music has changed, *Rock* shows almost archaic. The concert of which it is a record took place during the 1976 American tour of Paul McCartney and Wings. During the five years since then the Sex Pistols and a lot else have been gone. The Wings concert (this particular concert was the last, at the King Dome in Seattle) can be regarded as an apogee of the big production concerts, with elaborate lights and lasers, 15,000-watt speakers and a backstage staff of 100. At the centre of it all, McCartney still managed to remain the casual amiability and sweetness that was the mark of the Beatles.

It is less a film, though, than an illuminated album. The titles list no director, but a director photograph, 13 cameras, a 35mm film, and an additional photograph—credit. Among them, they did not achieve any very interesting pictures: most of the film is close-up of Paul McCartney; but that, after all, is what the fans require.

David Robinson

The Seagull
Royal Court

Irving Wardle

Thomas Kilroy is not the first Irish writer to have appropriated Chekhov for his native land, but he is the only one in my experience who has changed one's fundamental ideas about Chekhov in the process. This Galway adaptation of *The Seagull* is not simply an interesting experiment: it brings the piece into immediate local focus, and redistributes dramatic emphasis in a way which radically alters the usual balance of the play.

There are several obvious parallels moving the action from provincial Russia to the West of Ireland. Arkadina (now the celebrated Isobel Desmond) still becomes the absentee landlord of a declining estate in the years of the Land League. The wraith-like occupants of the Big House become marriage spoils for the Roman Catholic peasantry, hence the union of Mary/Maria and James/Semvon. Also this is the Ireland of the Celtic revival, so Constantine's play becomes a Yeatsian essay in Gaelic myth ("Oh Lord, it's one of those Celtic things," complains Miss Desmond, famed star of *Petticoat Perfidy* featuring a Lily/Nina in flowing Burne-Jones draperies).

However, where Mr Kilroy departs from Aidan Higgins and other Irish-Chekhovians, is in otherwise banishing the Celtic twilight. This is not a piece about a sad group of hopeless lovers in the back of beyond, the provincial society of despoiled, harshly egotistic, brightly lit and linked to the culture of Dublin, London, and Paris. Where other productions of *The Seagull* find their emotional peak in emotional outpourings and high comedy, here the climax comes more often approximate to Chekhovian farce.

Take the scene of Arkadina's recapture of Trigorin. As this is restaged for Miss Desmond and the wavering Aston, it

changes from a delicate demonstration of female possessiveness into physical combat fully exposing the gross motives of both characters. Alan Rickman, for once emerging from left as a graceless fall and contues to dig her nails into him, panting out the tirade of lying compliments until he reverts to dull resignation. How could any woman want me? he asks, implanting a disgusted kiss.

Mr Rickman is the first Trigorin I have seen who takes the character's self-assessment at face value, and presents the occupation of writer as a disease.

Max Stafford Clark's cast rivals that of the Court's splendid *Queens Theatre* production of the mid-1960s and, as on that occasion, it includes one of the theatre's artistic directors—Stuart Burge, shuffling on in a crumpled white suit as the beached old head of the household, speaking the alien language of the Protestant ascendancy and rising in full colonial wrath in demanding horses for his sister. Miss Massey begins as superficial monster, vicar of the period ("Just mention Madge Kendall and all hell breaks loose"), and wonderfully deepens the performance until it expresses a guilt not only towards her family but the whole neglected society.

There is a white-hot Constantine by Anton Lesser who precisely catches the self-dramatizing ironies of frustrated adolescence, and delivers the dead seagull in the style of Hamlet's nunnery scene. His relationship with Harriet Walter's Lily (Nina) begins with the full sense of awakening childhood; and the gradual erosion from that initial delirium to its grotesque parody on the final evening scene demonstrates the harsh line of the production. There are also fine performances from T. P. McKenna as the doctor, and Tony Rohr as the unwanted peasant husband.

Cavalcade
Redgrave, Farnham

Ned Chaillet

One of the dinner jackets at the Redgrave Theatre in Farnham has been a previous English production of Noel Coward's *Cavalcade*, 50 years ago. At least the owner was claiming it had, and it bore its years well, but not so well as Coward's most ambitious play. The reputation that has survived is of a patriotic epic, a jingoistic summary of the years from the Boer War to the General Strike, but the spectacle mounted with such ingenuity at Farnham reveals less of simplistic flag-waving and something more of human sympathy. While history and hundreds of actors swirl over the stage, Coward shows the fate of two families in an England rapidly reordering its social structures.

It is *Upstairs Downstairs* to a great extent as Sheridan Morley wrote on this page on Wednesday, with the downstairs servants taking over a public house and rising to the kind of respectability, through the theatre of all things, but that the Coward's *Cavalcade* understood full well. The upstairs family never loses its position, but the two sons of the family are lost, on the Titanic and in the First World War. The achievement of the play, particularly in the hands of the production, is constantly to place those two family stories in the hurly-burly of the beginning of the century.

BBCSO/Howarth
Festival Hall/Radio 3

Paul Griffiths

The timing could not have been more appropriate, following the announcement that Ligeti is to write his second opera for the Coliseum, the BBC brought us his own selection of highlights from his first, *Le Grand Macabre*, in the English tradition, and has been careful to reserve most of her quarrels for her conductors, a problem which was solved some years ago by deciding to have the majority of her performances accompanied by her husband, Richard Bonynge.

Brian Adams, who brings the Sutherland story up to date, has not written a particularly musical book either, although he has far less interest than Mr Braddon in matters medical. He is none too sure about the difference between a cabaret and a cavatina; his retelling of opera plots does not suggest a great deal of first hand experience in the theatre; mezzos are confused with sopranos. Nor indeed is the capturing any too careful of the multitude of pictures, which range from happy snugs filched from the family album to valuable studies of Sutherland on stage.

But after these chalk marks on Beckmesser's slate it must be said that Mr Adams is a good reporter and a diligent burrower into the sheaves of ordinary early years at Covent Garden when, scarcely off the Vegetables, Miss Sutherland was treated as a utility soprano and cast improbably in operas such as *Tristram and Isolde* and *Midsummer Marriage*, are well chronicled and so is the latter period back in Australia.

There are not many warts and even Mr. Those looking for the full story about the rows with Nello Santi or the stormy change of management at the Sydney Opera will be disappointed. But then Miss Sutherland, who will be 55 this year, is still singing at a time when most sopranos of her age have invested in a discreet teaching academy. May she continue and so provide the material for a third biography.

John Higgins

Bartók is again led an
inbecoming dancefew ballets
adler's Wells

John Percival

Thirty-five years to the day since Ninette de Valois anchored her second ballet company at Sadler's Wells, its next successor, Sadler's Wells Ballet, celebrated on Wednesday with a programme of six new ballets by five young men. Two of them confirmed real gift for choreography, not so among their virtues being ear and an understanding of it.

David Bintley chose Britten's rations on a theme of Frank Ide, a score rightly popular with choreographers for its lilting and variety. Ashroun Cranko both used it years ago. Bintley, like Cranko, has added to its dark undertones. I call his ballet *Night* *Wings*.

Although inevitably episodic, the ballet has a unique, under-neath black and white setting, place where people reach for stars and hardly notice the bed wire around them, as even chains in the music, by incidentally to the programme notes tell us nothing but the designers?

Bintley's choreography shows society where public life is light, interrupted by private life. He gives many of the dances a surprise ending; not trick ending, but an unexpected development of what he before, as when Marion and David Ashmole settle themselves comfortably, as if sleep, at the end of their duet.

Kim Reeder has a sharp, fast, outstanding even among the forced and skilled level male dancing all through the piece. Peral Miller's dance, also accompanied by two, also puts emphasis on force and precision. The other two dances were Clara Finch, replacing the injured San Lucas and fitting

smoothly into her first featured role.

Bintley gives all his dancers good things to do, but he always remains clearly in charge, with the ensemble often more important than the solos. Ninette de Valois, the other notable contributor to the programme, holds his dancers on a looser rein, so that his ballet *Catch* looks deceptively casual and easy unless you consciously notice how well every single dancer is being shown off as an individual.

I praised *Catch* when it was tried out at Exeter last summer, and enjoyed its sprightly humour again on second seeing; but even better was a solo Burrows has made for himself, full of wit, imagination and throwaway invention.

It reflects his interest in folk dance, but raises that style to unexpected virtuosity, echoed by Simon Needs' clever reading of the poem that gives the dance its title. With a gaping wide-mouthed waddling frog.

The other three would-be choreographers all felt down heavily on their misuse of music. The choices looked well on paper, Bartók, Tippett and, for once Frank Bridge himself, but it was all snippets and the actors bore no obvious relation to the scores. Derek Deane used the second movement of Tippett's concerto for double string orchestra for a Tetley-esque double act, and Jennifer Jackson took the second movement of Bridge's Piano Quintet for a number ranging from Bejart to Las Vegas, stunningly danced by Bryony Brind.

The worst offender was Michael Corder, in *Three Pictures*, putting one of Bartók's *Two Pictures* for Orchestra between two movements from the Suite No 1 for a curious hodge-podge starting with a funeral, ending with a party, and in between one of those duets where Nicholas Millington seemed desperately to be trying to push June Highwood's leg out of his line of vision. Poor Bartók, choreographically butchered two successive nights.

New music at Cheltenham Festival

works by Elizabeth Downes, and Northern Ballet conchy, Justin Connolly, Theatre will perform a ballet to Michael Berkeley's new String Quartet. Among the given their premieres at this year's Cheltenham Festival from July 5 to 19, George Lloyd's fourth symphony will receive its first performance from the Philharmonia Orchestra under Edward

me of the reviews on this page are reprinted on yesterday's later editions

Carmen
Théâtre du Châtelet,
Paris

Clive Barnes

Prosper Mérimée's novel *Carmen* was an exquisite realization of sensuality. It took to the stage like a duck to water, a swan to lake. Carmen, the cigarette girl turned vagabond and thief, virtually exploded as a symbol of the sexual temptress. Operas and ballets abounded. Even Charlie Chaplin did a movie pastiche. In 1949 the French choreographer Roland Petit created a ballet version of *Carmen* for his wife, Zizi Jeanmaire, and himself as Don José.

It had its première in London at the Prince's Theatre, today called the Shaftesbury, and it was a sensation. It had pungently evocative decors and costumes by Jose Clave, and, using a freestyle adaptation of the Bizet music, it had a passion that exploded almost beyond the realms of choreography. In this gesture, even more than in his first masterpiece *Les Femmes*, Petit established himself as a man of the theatre.

What Petit had caught, perhaps even more than Bizet whose music he virtually raped, was the concept of the woman of feeling, a woman of total desire, who needed nothing but the insatiable desire of love. And yet also had a conscience. She loved whom she loved, yet still she was Bitch.

Since that exultant evening in 1949, although some critical notices were more exultant than others, Zizi Jeanmaire has had many successors in the role of Carmen. They have ranged from Colette Marchand to the occasionally chilly but unusually beautiful Moya Shearer, who happened to be one of Petit's own favourites in the ballet. The Dances have also played their role here, when Kirsten Simonsen, particularly, demonstrated that she could be more of a French *carmen* than a Danish pastry, and was part of the downstruck Erik Bruhn in one of his greatest roles.

But at the handsomely refurbished Châtelet Theatre we



The elegance of Natalia Makarova and Denys Gano

have a new *Carmen*. It is Natalia Makarova, who was born to be Carmen.

Jeanmaire as Carmen resembled a dangerous cat. Her movements were beautiful but every gesture, every sexual grimace, suggested potential menace. Makarova has almost the same quality.

Makarova is a kitten, a wild, laughing kitten. Her dancing is supremely elegant. It mocks the world. It tortures life. It plays with death. This is the supreme Carmen not of your dreams, but of your

nightmare—the total tantalizing creature, romantically born of death. This is one of Makarova's classic performances. This new production by Roland Petit's Ballet de Marseille makes one mistake. It is too big. It uses too many dancers—at least twice the size of the corps de ballet as it used in 1949. Here less would be more. But the company is excellent, and Denys Gano, elegant yet fearfully diffident, makes a memorable Don José. Beyond everything it makes

Book review—

La Stupenda

A biography of Joan Sutherland

By Brian Adams

(Hutchinson, £9.95)

... a general biography, not a particularly musical book.

Sutherland was the very temperate comment made by Joan Sutherland about the first major account of her life, written by her fellow Australian Russell Braddon almost twenty years ago. Mr Braddon spent several pages describing his subject's hospital operations and sometimes lost sight of the fact that she was known to the world for her voice and not as a surgical case history. But then Miss Sutherland has generally been a temperate lady, despite that mane of auburn hair which made Noel Coward call her The MGM Lion. She has usually been good-natured with the press, jolly and extrovert off-stage, and a devoted English tradition, and has been careful to reserve most of her quarrels for her conductors, a problem which was solved some years ago by deciding to have the majority of her performances accompanied by her husband, Richard Bonynge.

Brian Adams, who brings the Sutherland story up to date, has not written a particularly musical book either, although he has far less interest than Mr Braddon in matters medical. He is none too sure about the difference between a cabaret and a cavatina; his retelling of opera plots does not suggest a great deal of first hand experience in the theatre; mezzos are confused with sopranos. Nor indeed is the capturing any too careful of the multitude of pictures, which range from happy snugs filched from the family album to valuable studies of Sutherland on stage.

But after these chalk marks on Beckmesser's slate it must be said that Mr Adams is a good reporter and a diligent burrower into the sheaves of ordinary early years at Covent Garden when, scarcely off the Vegetables, Miss Sutherland was treated as a utility soprano and cast improbably in operas such as *Tristram and Isolde* and *Midsummer Marriage*, are well chronicled and so is the latter period back in Australia.

There are not many warts and even Mr. Those looking for the full story about the rows with Nello Santi or the stormy change of management at the Sydney Opera will be disappointed. But then Miss Sutherland, who will be 55 this year, is still singing at a time when most sopranos of her age have invested in a discreet teaching academy. May she continue and so provide the material for a third biography.

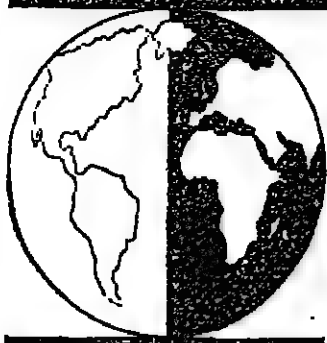
John Higgins

CHANCE, HISTORY, ART...

9 April - 3 May at 1.00 and 9.15 April at 7.00 and 9.00

ICA

A Film by James Scott



Brazil's economic strategy in trouble

Brazil, which tried to fight its energy crisis by pushing economic growth, instead of letting its economy slow down as other big industrial powers did, may be in serious trouble as a result of its strategy. The foreign debt—the largest in the Third World—was \$53,800m (£25,000m) at the end of last year.

The Government has apparently realized that the situation could not continue, and economists at home and abroad agree that the high level of inflation disorganizes the economy and stops necessary investment.

Senator Antonio Delim Neto, Brazil's planning minister, has taken measures to slow growth to curtail prices. But his mixture of policies has made the volatile Brazilian economy over-reaction, his critics say.

Shares suspended
Consob, the Italian Bourse Supervisory Commission, has ordered suspension of dealings in the shares of Ercole Marelli, the financially troubled Milan electrical equipment manufacturer.

An extraordinary shareholders meeting on May 26 will discuss a drastic write down of the capital against losses, the extent of which has not been revealed.

Desert pipeline
Japan has expressed interest in a proposal from Oman to construct an oil pipeline from Saudi Arabia to the Arabian Sea, bypassing the Strait of Hormuz through which passes most Middle East oil exports, foreign ministry officials said.

Norway surplus
Norway had \$285m (about £130m) balance of payments surplus in January this year, up 64.7 per cent from \$173m in January last year, according to preliminary figures released by the Central Bureau of Statistics.

Steel tariffs
The Australian Government has decided to maintain the present level of tariff protection for the iron and steel industry, a department of industry and commerce spokesman said.

W German production
West German industrial production rose a seasonally adjusted 4.5 per cent in February from January. A surprisingly favourable result, the economics ministry said.

Danish orders
New orders for Danish industry in February rose 6 per cent at current prices compared with February 1980, after a 1 per cent rise in January.

Australian jobless
Australia's unemployment rate in March fell to 5.8 per cent of the labour force, or 330,900, from 6.3 per cent in February and 6.1 per cent a year ago.

Chinese production
The value of China's light industrial production rose 9.9 per cent in the first quarter of this year, while heavy industrial production declined, the official Xinhua News Agency reported.

Norwegian oil delay
Development of the Ula field in block 7, 12 of the Norwegian North Sea has been postponed due to increasing costs.

Problems of developing nations to be discussed at 'unofficial' talks

Poland tops Group of Five agenda

The financial difficulties of Poland and several developing countries will be among the chief concerns of finance ministers and central bank governors from the "Group of Five" big industrial nations when they meet at Downing Street on Sunday.

Officially, Whitehall is denying that the meeting is taking place. But the Americans have confirmed that both Mr Donald Regan, the United States Treasury Secretary, and Mr Paul Volcker, the chairman of the Federal Reserve Board, will be in Britain for meetings over the weekend.

They are expected to have discussions with British ministers at the Treasury before the gathering at Downing Street which will be hosted by Sir Geoffrey Howe, the Chancellor, and Mr Gordon Richardson, the Governor of the Bank of England.

Apart from Britain and the United States, the other countries represented will be West Germany, France and Japan. Herr Hans Martinhoff, the West German Finance Minister, will not attend because of illness. His place will be taken by Dr Horst Schulmann, the state secretary for monetary affairs in the Finance Ministry.

Many of the participants will be meeting for the first time since President Ronald Reagan took office.

Several of the new Administration's policy statements have been viewed in Europe with some alarm, particularly the cuts in United States financial support for the international aid agencies.

The International Development Association is facing particularly acute problems because of the failure of the United States to pay its contribution. The agency is the main source of cheap, long-term loans to the poorest nations.

Mr Regan is certain to come under strong pressure from the Europeans to fulfil its obligations to the agency.

Gatherings of the "Group of Five" are held to coordinate the policies of the big industrial countries before the twice yearly meetings of the inter-im and development committees. These committees, which steer the policies of the International Monetary Fund and the World Bank, are next scheduled to assemble in Gabor in May. Questions about the aid policies of the rich nations seem certain to be raised there by ministers from the developing countries.

One of the other pressing issues likely to be tackled at the "Group of Five" meeting will be the level of interest rates.

According to reports in Paris, both France and West Germany have agreed to try to persuade the United States to reduce interest rates. High rates in America have pushed up rates in several European countries and this is tending to prolong the recession in Europe.

President Valéry Giscard d'Estaing is particularly worried about this because it could harm his chances in the forthcoming elections. It is, however, a delicate subject as Europeans have been urging the Americans for a long time to tackle their

inflation and high interest rates are the result of a more determined bid to do so. There are also growing worries about the dangers of an export credit war. To the surprise of several industrial countries, Japan has shown themselves ready to offer ever more attractive export credit terms to their potential customers. This is leading to a worrying escalation in export credit competition.

A related issue is trade competition from Japan. Pressure is building up both in Europe and the United States to take action against Japanese imports. Protectionism is likely to be headed off only if the Japanese undertake to reduce their exports voluntarily, a point which is likely to be made clear to the Japanese Foreign Minister on Sunday.

However, the problems of the big debtor nations seem like to get most attention. Apart from Poland, doubts have been raised about the financial situation in several developing countries including Brazil, one of the biggest Third World debtors.

The possibility of a big default, and its implications for the international financial system, is known to be an increasing preoccupation of several financial ministers. The "Group of Five" meeting gives ministers an opportunity to discuss ways of dealing with such an event, or even preventing it.

Melvyn Westlake

Miners in protest on plant delay

By Paul Routledge

The Government was yesterday accused of dragging its feet for the past year over the go-ahead for an oil-from-coal liquefaction plant.

Leaders of the National Union of Mineworkers, whose threat of a national strike two months ago forced the Cabinet to change its policies on subsidies for the coal industry, are protesting to Mr David Howell, Secretary of State for Energy, over the delay.

The National Coal Board has also privately protested to the energy department over government hesitation about investing £20m over three years to build a pilot plant at Point of Air, North Wales.

Mr Joseph Gormley, president of the NUM, said yesterday: "It only needs a nod from the Government. We are not asking for money immediately." The miners are still demanding large subsidies for the industry in the current financial year. They have urged the Coal Board to take a much stronger line in negotiations with the energy department over the multi-million-pound rescue operation for the industry.

"We are anxious to keep this thing going," Mr Gormley said. "It is no good anybody presuming that when the Government stopped industrial action that the thing was finished. That feeling is still there in many areas, particularly when they see nothing being done at the pits that were on the closure list."

Double attack by industry chiefs on UK energy pricing policies

By Our Industrial Staff

Leaders of Britain's chemical and paper and board industries have launched separate attacks on the Government's energy pricing policies.

Dr Peter Caudle, deputy director general of the Chemical Industries Association, said the chemical industry faced a tough battle to maintain production levels, let alone take part in the expected European recovery.

He stressed that energy prices were a key factor, and he dismissed statements that EEC energy price levels were rising faster than those in Britain.

Addressing a conference organized by the Royal Society of Chemistry in Guildford, Surrey, he said: "Unless, in the United Kingdom, there is a change of national policy towards energy and feedstock pricing, it is unlikely that we will see any significant value being made of the positive factors which could be provided by United Kingdom oil and gas."

Regardless of economic theories or political judgments, he continued, the end result in 1981 was an international comparison between principal energy sources which placed United Kingdom prices at levels between 10 and 25 per cent higher than in the rest of the EEC for fuel oil and gas, and up to 50 per cent higher for supplies of electricity.

He warned: "The United Kingdom position, far from expanding rapidly as a result of our North Sea resources, may remain severely contracted

unless there is a significant shift in national energy and industrial strategies towards energy intensive and other heavy users of manufacturing industry."

Dr Caudle cited a number of factors which had influenced the collapse of demand and output, including the depression of domestic demand by cuts in public sector spending, high interest rates, the high Sterling exchange rate and the very rapid increase in the cost of services provided by State monopolies, especially energy utilities.

The hard-pressed paper and board industry, now 20 per cent smaller than a year ago, said assistance to companies on energy prices had fallen short of reasonable expectations and was "almost misleading".

The Paper and Board Industry Federation said that paper makers, which have closed 18 mills and 49 machines with the loss of nearly 10,000 jobs in the past 15 months, remain at a disadvantage compared to their foreign competitors.

Read Paper and Board (UK) yesterday proposed the latest company to announce redundancies. About 160 of the 800 workers at the company's Colthrop Board Mills at Thatcham, Berkshire, are to lose their jobs after a year when the mill has operated at a serious and unacceptable loss.

On gas prices, the federation said that only renewal rates for interruptible supplies had been frozen, not the prices themselves, and as a result companies were faced with in-

creases of up to 25 per cent on top of a 45 per cent rise in 1980.

The electricity tariff reductions for local management are still not clearly defined or understood, but it is becoming increasingly evident from companies who have already approached area boards that few, if any, power mills will be able to benefit.

The federation also complains that investment grants for conversion of boilers from oil to coal are "inadequate and unconvincing". Although £50m of support was being offered, in one company alone the cost of conversion was between £5m and £15m for each of its four largest mills.

"The proposed 25 per cent grants would therefore still leave a massive investment cost to be borne by the company even if the government were prepared to allocate a large proportion of its £50m support to the paper industry."

In addition, the increased tax on diesel fuel would cost the industry about £4m, which more than offset "any of the small benefits" announced in the Budget.

The federation said last year, with the exception of the soft tissue sector, every major section of the industry post growth and "most mills which made tiny profits, broke even or sustained small losses can be considered to have done well".

Last year, about one million tonnes of capacity was lost, reducing the industry's total capacity to about 3.75 million tonnes. In January this year, Financial editor, page 25

LETTERS TO THE EDITOR

Cooperating to reduce inflation

From Mr J. R. Sargent

Sir, Mr Patrick Minford's account (April 7) of an inflationary process originating in higher public spending and an increased money supply will be accepted by (n.364) economists who are quite a large number. But not all of these would accept that the process can be simply and satisfactorily reversed by lower public spending and a decreased money supply.

When an expansionary policy is launched, a higher rate of price inflation may well be followed quickly by a higher rate of wage-inflation, in such a way that the incentive to raise real output is lost. But will money wages respond as quickly to prices in the downward direction?

Studies of the past relationship between wage-inflation and price-inflation have supported the idea that a change of 1 per cent in the latter is associated with a change of 1 per cent in the former. But these studies have been based on the evidence of a past in which the changes have been dominated by rising inflation; and it does not follow that the one-to-one relationship can be expected to reproduce itself in reverse when inflation is falling.

A careful interpretation of the evidence, and an appreciation of the realities of our collective bargaining system, should have warned those who advised the Government to pursue its present policy of the likelihood of a substantial lag in the response of money wages to declining price-inflation. The neglect of this has helped to bring us where we now are: a situation of depressed profitability, output stability and employment which only the most dogged of monetarists could still describe as the "transitional" effects which were mentioned in their prospectus.

Experience suggests that a programme for lowering inflation without permanently lowering output will need to include some positive action to encourage the necessary adjustment through the pressure of unemployment itself. Yet the Government threw away the card marked "incomes policy" in advance. Recently they have given the impression of feeling around for it while pretending not to.

Perhaps the time has come to stop pretending, and to seek

the support of organized labour in ensuring that the downward movement of price-inflation under monetary and fiscal restraint is accompanied by a corresponding movement of wage-inflation. Unless the Government and the unions co-operate in this, the outlook for the economy's productive capacity must remain bleak.

If a policy's implementation is proving to have undesired effects, one does not have to advocate the opposite; a more realistic alternative is not to implement it until (or unless) it can adequately recast. There are risks in reflation, an incomes policy in that it would on past experience be difficult to operate effectively. But the Budget decision press on regardless (two Financial Secretary) in a reactionary direction. While I may appeal to Patrick Minford I fancy that rather more 364 economists see it as a triumph of dogma over evidence.

Yours faithfully,
J. R. SARGENT,
8 Furlong Road,
Albion Lodge,
London N7,
April 7.

Archbishop's views on morality in business

From Miss Kathleen Dawes

Sir, I gather that the Stock Exchange has been concerned by the Archbishop of York's reference to it in his Lenten talk on March 29. I did not feel, however, that he was criticizing the Stock Exchange as such, but rather the use some people make of it.

I was somewhat shocked myself to realize that by selling some unit trusts before an election and buying back afterwards (if I had had the nerve and desire to do this), I could have made a few hundreds of pounds.

In one of her reviews Dame Rebecca West, in talking of some of America's difficulties after the last war, indicated that one seemed to be the difficulty of persuading people to invest in industry instead of treating the Stock Exchange as a great big beautiful betting shop. I do not know whether the Archbishop—or for that matter many other people—ever contemplates the enormous complex edifice of finance and industry, accompanied by a vast expansion of population which has been built up during hundreds of years—and which can be shaken by panic or the Arab putting up the price of petrol etc.

I sometimes say that it all started with the invention of a symbol to denote, and the discovery of some Italian bankers that they could lend more than they had in their coffers. But

that may merely be my fancy. In any case we could not possibly do without the Stock Exchange to channel funds into industry and keep this complex system going—and it may be that the possibility of making something for nothing is inseparable from the system. This, after all, can be done in many different ways—for example, at Aintree or wherever.

The Stock Exchange in performing its useful work—indeed vital work—cannot be regarded as responsible for the peculiarities of human nature.

On the other hand the Christian Church is bound to try to have some idea of what may be regarded as a responsible attitude to money. I gather that there is a fair amount of personal liquidity floating around. My small share of it is by no means the result of my own efforts but due to an indexed pension, two spells in NHS hospitals, gifts from friends and the like.

I feel sure that those who have money are in many cases doing what they can to help. But I feel that spare personal liquidity should be channelled to socially useful ends. Mr du Cann feels that the Stock Exchange would be perfectly capable of raising private investment to pay the necessary public works which would help employment and bring work to private firms.

Yours faithfully,
KATHLEEN DAWES,
25 Bradford Road,
Trowbridge,
Wiltshire BA14 9AN.
April 7.

Cost of HMS publications

From Mr John Harrison

Sir, Further to Mr Rose's (April 2) and his comparison of the HMSO with commercial publishing it must be in mind that the texts of Acts and other statutory have to be printed by HMSO to enable Parliament to function.

Surely, the cost of papers to members of a public should be more based on the marginal running off additional rather than expecting members of the public effect, subsidize Parliament it not in the national interest that interested members public have unrestricted to such papers, in par Bills and Green Papers, the Government is at receipt submissions from with specialist interests?

Mr Rose also refers to printing machines. Perhaps the HMSO do modern computer type for if they do, how can justify charging, for a £4.50 (in 1980) for a 14 Finance Bill and then £6 the 176 page Act of which the text is common?

Bill? Even assuming that putters are not in fact a machine, the advantage of Acts are reset from scratch also that any likelihood higher sales of the Act is left to deduce the HMSO's overheads increase almost 22 per cent in 11 months between the re-publishing dates of April September. JOHN HARRISON, 7 Regal Lane, Regent's Park, London NW1 7TH.

Higher pay rises granted in the public sector

By Patricia Tisdall

Management Correspondent
Public sector chemists and engineers received considerably larger pay increases last year than their counterparts in private industry.

Pay for engineers in the public sector went up by 27 per cent between January, 1980, and January, 1981. The corresponding increase for the private sector was 19 per cent.

Public sector chemists' pay rose by 26 per cent. This compares with an 18 per cent rise for chemists in private industry.

The April Top Pay Unit Review produced by Incomes

Data Services yesterday also shows that the median annual salary of public sector engineers and chemists in most categories has outstripped that of their privately employed equivalents.

The median salary of an engineer employed primarily as a research and development manager was £12,660 in January, compared with £11,110 for his counterpart in private industry.

A chemist in the same category showed a median salary of £13,750 against £12,750 in private industry. Top Pay Review is produced by IDS, 140 Great Portland Street, London W1N 5TA, price £45 for 12 issues.

Italy leads exchange of technology for Arab oil

From John Earle

Rome, April 9
Italy has taken the lead in utilizing the countries of southern Europe to lay a permanent framework of cooperation across the Mediterranean by exchanging technology and expertise for oil from the Arab world.

This was the main outcome of a three-day seminar organized by ENI, the state hydrocarbons corporation and co-sponsored by OPEC (the Organization of Arab Petroleum Exporting Countries). It was attended by 15 ministers, and other representatives, from the Arab world and from southern Europe including Portugal, Spain, France, Malta, Yugoslavia, Greece, Turkey and Cyprus.

The meeting ended today by approving a proposal to set up six working groups to study different aspects of economic collaboration. ENI is to establish a mission with OPEC's headquarters in Kuwait to follow up the process.

Signor Alberto Grandi, ENI's chairman, said: "It is precisely in the Mediterranean and Middle East areas, which for historical and geographical reasons have always been economically integrated, that a re-discovery of rational planning through development must be affirmed."

The working groups are to study interdependence between OPEC and the OECD (Organization for Economic Cooperation and Development); exploration for oil and natural gas; joint ventures for downstream integration, in transport, petroleum, refining, marketing, distribution, and petrochemical activities; manpower training; research and technology in hydrocarbons processing, nuclear and other energies.

The French were said by participants to have responded enthusiastically when first invited. But eventually they sent M Pierre Aigrain, Secretary of State for Research, and M Pierre Despeyres, President of the Petroleum Institute.

Unlike most Arab states, the Saudis did not send Shaikh Yamani their oil minister, but a deputy, Mr Mahd Al-Mutairi. Relations between ENI and Saudi Arabia have never been the same since a scandal in late 1979 over the promised payment of over \$100m (£45.2m) in "commissions" on a deal between ENI and Petromin, the Saudi state corporation.

Trade Indemnity

Highlights from the Accounts

	1980	1979
Premiums Written	£26.93m	£21.80m
Profit after Tax	£2.61m	£2.35m
Shareholders' Funds	£11.10m	£9.45m

Points from Mr. P. R. Dugdale's Statement to Shareholders

Against the background of a deep recession and an ever-increasing number of business failures, it may seem paradoxical to announce a record profit for the Company in respect of the year under review. I must emphasise, however, that the accounts for the year ended 31st December, 1980, include the profit of £3,566,280 earned on the 1978 underwriting account during a time when trading conditions were very different from those of late 1979, 1980 and so far in 1981. The 1979 and 1980 underwriting accounts remain open in our books and in their own way show only too clearly why the protection, security and services offered by the Company have been so much in demand in recent times—a situation that is certain to continue in the foreseeable future.

RESULTS
To the underwriting profit of £3,566,280 must be added investment income of £1,714,461. After allocating £48,087 to the proposed Employee Share Scheme and charging taxation of £2,627,000 the net profit for the year was £2,605,654.

The recommended final dividend of 4.14p per share, together with the interim dividend of 2.2p, represents an increase on the previous year of 13.2%.

GENERAL
The recession has inevitably made heavy demands on the Company and perhaps the best yardstick of our achievement last year was that, in a period when manufacturing output in this country fell by a record 9%, we covered a substantially higher value of transactions. The turnover insured by the Company in the United Kingdom and overseas rose by 7.2% to just over £11 billion.

New business premiums doubled from approximately £1.9 million to nearly £3.8 million. At the same time, the number and value of policies not renewed remained at a low level and the net gain in new business made a substantial contribution to the overall growth in premium income.

PROSPECTS
So far in 1981 we have seen continuing growth in all areas of our business. Even if there should be some revival in the economy in the latter part of this year, as now seems possible, it is not likely that there will be any significant reduction in the number of business failures.

	1976	1977	1978	1979	1980
PREMIUM INCOME (£ million)	£14.79	£18.58	£19.81	£21.80	£26.93

Copies of the Report and Accounts for 1980 are available from The Secretary, Trade Indemnity House, 72-74 Great Eastern Street, London EC2A 3AX.



Trade Indemnity plc
Underwriters of credit insurance since 1918

Branch Offices: Birmingham • Bradford • Bristol • Glasgow • Leicester • London • Manchester • Newcastle-upon-Tyne • Reading and at Melbourne and Sydney

BANRO CONSOLIDATED INDUSTRIES LIMITED

Satisfactory results despite worldwide recession and disruption within the automotive industry.

Results to 31st December	1980	1979	1978
Turnover	19,858,327	15,754,402	14,761,008
Profit before tax	901,497	1,156,648	1,073,278
Profit after tax	889,105	925,286	542,147
Earnings per share	15.2p	17.2p	9.9p
Dividend per share (net)	3.0p	3.0p	2.17p

66 I consider the results are satisfactory and reflect great credit upon the management of each subsidiary. Establishments of Penin S.A. in France, made a very good contribution to profits. The downturn in activity during the second half of 1980 has continued into 1981 and the indication is that profits are anticipated but they are likely to be at a low level than those achieved in the first half of 1980. The finances of the Group remain sound and your Board propose a total ordinary dividend of 3p per share.

Your management team has intensified its efforts to pursue new diversified products resulting in the purchase, from a German company, of a technical and licence to manufacture and market Lignotock, a composite wood and resin based product offering savings in weight, increased strength and durability, which will enable designers to greatly improve the interior of their cars. The initial response from the leading U.K. manufacturers is very encouraging.

66 I view future prospects with confidence in the knowledge that creative steps have been taken to ensure the continued growth of the Group in years ahead.

Edward Rose, Chairman.



The principal activities of the Banro Group are the manufacture of framed windows, rolled sections, pressings, extruded plastic profiles, motor car body components, oil highway, vehicle components, the continuous plating of metal in oil form, and electroplating applications. For the sea, air, road, rail, domestic appliance and building industries.

Subsidiary Companies: William Bates Plated Strip (International) • Peninsular • Edward Rose (Birmingham) • Edward Rose (Telford) • Edward Rose (Sections) • Edward Rose (Plastics) • Edward Rose (France) • Farnier & Penin

Copies of the Report and Accounts may be obtained from The Secretary, Edward Works, Pelsall Road, Birmingham, West Midlands B58 7HP

سكوت الانجل

BY THE FINANCIAL EDITOR

British profits let Bowater down

It has been a frustrating year for Bowater. All the progress it has made in North America, as its substantial capital investment programme there started to bear fruit, has been outweighed by the impact of the recession on its British businesses.

So, having been five per cent up at the start of the year, its share price has fallen to nearly 7 per cent. Operational profits from North American companies, reflecting the installation of a fifth newsprint machine at Bowater's Tennessee plant, were almost a quarter higher at \$31m. In Britain, though, where newsprint demand remained flat and where high sterling cost profits \$5.7m against \$7.9, the story has been entirely different. Bowater, like its competitors, has been losing papermaking plants and reducing capacity in other areas (including the closure of the Ellesmere Port mill). The cost in redundancies has been \$12m and 3,500 jobs, reducing the United Kingdom workforce to 6,500. Asset write-offs totalled a further \$6m.

At the end of the year United Kingdom profits had collapsed from \$32m to \$13m, a figure only mitigated by good performance on tissue companies and Bowater's most recent diversification, builders' merchandising. The market, though, sees Bowater's relationship with the paper industry as a modest aid (by manufacturing standards) of 61 per cent with the shares up 10m yesterday, 263p. If American results can be sustained, which Bowater believes they can be—and British profits, aided by lower sterling, start to move again later this year, the recession eases, Bowater would finally move its long-term profits plateau. Meanwhile, a share provides a comfortable haven, rising is only 36 per cent.

Automotive Products sales, but of profits

Automotive Products had to pay a heavy price last year to hold on to market share against a previous profit of \$13.5m to losses of over \$3m—a figure which includes \$2.5m of redundancy costs. But the fact that the group felt able to take a dividend reduction of only 5 per cent only added fuel to recovery hopes which are currently firing the market. AP's shares rose 3p to 56p to yield 7.7 per cent with the payment twice covered by a heavy tax credit. On a current basis however the pre-tax loss rises to \$13m producing a loss per share of 11p.

AP's view after a terrible second-half is that the upturn must arrive eventually while in the meantime lower interest rates, more realistic exchange rates and declining inflation should at least provide some breathing space. After pushing turnover ahead 5 per cent \$206m last year—although it dropped 12 per cent in real terms—AP should be in a strong position to take advantage of any significant improvement in conditions in the motor trade. However, recent signs of improved demand from the distributors possibly reflect little more than the fact that they are almost completely bare after a year of destocking. There is no evidence that confidence has improved sufficiently to lead to significant re-stocking.

For that reason, although AP may manage to avenge for the first half and a small fit in the second, real recovery hopes run as far ahead as spring of next year. In an engineering sector awash with "crazy" stocks AP's shares may have edged high enough for the time being.

ilips is something of a test case for open manufacturing industry. The electrical giant faces fierce technological and price competition from Japanese and other Far Eastern firms, and as its units struggle, it has a tough fight on its hands.

ilips starts with several advantages. It is an established and well-managed, a household name around the world with a large customer base in its heartland. It still accounts for 60 per cent of the company's sales.

ilips has stayed in the forefront of technological innovation, critical for survival in electronics. The inventor of the cassette and one of the first manu-

facturers of the video cassette, it is heavily committed to the next generation of digital and optical technologies. Last year Philips spent 7.5 per cent of sales income, or about \$12,740m (£528m), on research and development, all charged to profit.

Philips also has the advantage of a worldwide sales network. The security this provides is evidenced by the 10 per cent increase in 1980 sales to \$136,536m, despite weak economic conditions. But this success, which was most notable in the highly competitive colour television market, shows up on the other side of the balance sheet.

After tax profits fell by 13 per cent to \$15,52m, or 1.5 per cent of sales compared with 1.8 per cent in 1979. Profits earned by Philips NV, the Dutch parent company, were not enough to cover a maintained dividend. Only by consolidating the good results from the United States Philips Trust could a mere \$119m be added to retained profit.

The message is that European costs and competition are placing Philips under intense pressure. Margins are suffering. The company is hitting back with two weapons. The first is a sweeping reorganization of its European manufacturing, concentrating on much higher productivity and quality.

Philips is looking to big new factories concentrating on one product for the whole European market. This strategy has been speeded up so that the 1980 accounts contain a provision of \$160m. It is likely that the European workforce will be cut by more than 10,000 in 1981.

The second approach is to move more aggressively into overseas markets. After the acquisition last year of General Telephone and Electronics in the United States, Philips has some 15 per cent of the American television market. In a bold move, it has bought 43 per cent of Marantz, a top-quality Japanese audio manufacturer. It is also cooperating closely with Sony and others on the digital disc.

But Europe remains a high cost area, wages always tugging in the opposite direction from efficiency and productivity. It will be a long haul.

European chemicals Over the worst

No-one is escaping the ravages of the European chemical recession. But the way the German majors are standing up to one of the worst ever downturns of demand is a measure of the job other groups like ICI have on their hands in making a decent return in the cut-throat competition of world export markets.

All the same, the big three German concerns are hardly moving in steel. Fourth quarter figures from Hoechst and yesterday Bayer are showing improvement on what now looks to have been the nadir in the third quarter whereas BASF with its heavier emphasis in bulk petrochemicals saw its profits collapse by two-thirds in the last three months. An accounting change has made Bayer's overall figures more difficult to interpret but on a comparable basis 1980 pre-tax profits rose 11½ per cent to DM 1,566m. This points to a reasonable fourth quarter after the slight downturn recorded at the nine-month stage. But with the AG figures down by a tenth at DM 823m, there has been a much less happy time in domestic markets where the 3 per cent volume drop was made worse by the higher cost of imported raw materials than in export markets and overseas operations where the weakness of the Deutschmark has been such a boon.

Curiously, the DM has dropped by over a fifth against sterling in the past 18 months—and cheaper energy costs have made German chemical producers well-nigh impossible to live with for groups like ICI. The German companies seem to be a little more sanguine about the demand outlook suggesting that volume is now picking up following the end of the destocking phase in the last quarter of 1980.

But the further weakening of the DM this year has made the Germans less aggressive on price rises than their competitors would like, and with naphtha prices easing customers are still reluctant to accept increases.

With their domestic markets going into the recession rather later than Britain or America, the recovery in the German majors could be less pronounced and reduced dividends already indicated by BASF makes them less attractive on a yield grounds than ICI. But at this stage yield grounds it is the United States groups like Du Pont which look a better bet on recovery grounds especially if the DM gets back into its stride.

The Treasury Committee's report on the Budget has been reported as critical of government policy; but it is in fact a remarkably mild document when one recalls the Opposition's rage at the Budget proposals and the barely concealed fears and reservations of the Conservatives (inside and outside the Cabinet).

The mildness partly arises from the committee's view that the medium term strategy has been modified along the lines proposed in its report on monetary policy. The committee, modestly enough, does not claim any credit for this and it could hardly do so, since the report was published only a few days before the Budget.

It does, however, argue that the medium term financial strategy (MTFS) has departed "significantly" from the version presented last year. It cites five pieces of evidence to support its view—a more tentative statement of the monetary targets; the inclusion of a broader range of indicators, including the exchange rate; a more modest monetary target relative to the expected inflation rate; a shorter time horizon for the strategy; and the accommodation of a large increase in the money supply during 1980-81.

With one exception I do not think that the evidence shows that the MTFS has been modified; rather it shows that the committee chose to attack its own mistaken version of it. The one exception is that the Government did indeed allow considerable overrun of the money supply limits in the conditions of last year, but I would not deduce from that, nor from the expression "the main thrust of the financial policy", that the Government attaches any less importance to the inflation rate; a shorter time horizon than it did last year.

It was always assumed that the targets would become progressively less tight relative to inflation and I do not believe that the role of the exchange rate as an indicator has changed.

I cannot share the committee's satisfaction that the time horizon has been reduced by one year. I think this is deeply regrettable since it is still so important to emphasize a longer-term commitment to the reduction of inflation.

Missiles which seek out target vehicles by homing in on the heat from their exhausts, special binoculars which enable troops to see their enemy at night—these are among the military products of the "thermography" industry. But the sensors and techniques which were developed originally to detect heat differences for this sort of military purpose are now being applied to a variety of civil industrial and medical uses.

All objects radiate infra-red energy according to their temperatures, quite independently of ambient light, and the pattern of temperature difference can be viewed as an identifiable thermal picture using an appropriate infra-red detector.

In civil use the technique can be used by security services for night vision, by emergency services to locate people trapped in smoke-filled rooms, as a medical diagnostic tool to indicate body "hot spots" and for a variety of industrial tasks. Among these industrial tasks, there have been striking advances in recent years in the use of infra-red thermography for energy surveys in factories and offices. The heat distribution in industrial processes can be studied; and a significant contribution to energy conservation can be made by locating sources of waste heat and ineffective insulation inside and outside buildings.

Individual buildings can be examined, both internally and externally, using hand-held viewers. For a picture of a complete site, aerial surveys (usually conducted at night) can provide a literally illuminating glimpse of unexpected heat losses.

A 1978 aerial survey funded by the Department of Energy to assess the use of this technique on four industrial and three urban areas. One of the companies whose sites were surveyed is Pilkington of St Helens, Lancashire. Its energy action group reported (besides measures to improve roof

insulation which the survey had shown to be necessary): "A leading cause for losses was seen to be losing heat from its heating panels at night when the bay was not in use; a workshop was identified where the temperature controller was out of action; a supposedly well-insulated store room was seen to be losing heat (this was traced to hot ducting in the roofspace that needed lagging); inefficient steam traps were identified; an underground steam pipeline was shown to be insufficiently insulated (as a result it was scrapped and replaced by another heating system); ventilation roof-vents were seen to be open (traced to a faulty mechanism)."

These were but a few of many benefits obtained from the survey of the St Helens sites. The same company has gone on to continue to use both ground-based and aerial thermography to give cost-effective energy saving and plant condition monitoring.

In general, the relative temperatures show up as differences in shading (either in black and white or in colour), with different shades corresponding to known temperature differences. A roof which appears as white in the picture will be relatively warm; one which appears black will be cool. White areas on an otherwise black roof can indicate faulty or absent insulation. A thin white line can trace the otherwise unknown path of an inadequately insulated steam pipe.

Other factors such as the construction materials and weather conditions also affect the "imagery", as the pictures are called. In a good example of the well-established diversification practised at the Atomic Energy Research Establishment at Harwell an image analysis group is working on ways of obtaining more precise, quantitative information from the aerial surveys.

Earlier, on a visit to the Royal Signals and Radar Establishment, a seminar on thermography and energy management Dr Gill Haigh of Harwell reported that the technique was valuable for identifying building defects, because these were often associated with a change in the external surface temperature. Examples included damaged insulation, water penetration, uninsulated girders, air leaks around windows and steam leaks.

In industrial use for plant monitoring, Mr M. A. Barrie of the AGA company told the seminar: "thermography could make it possible to look at design, workmanship and materials failure. Uninsulated observation holes in a furnace, unlagged steam pipes and a complete breakdown of insulation in a crucial storage tank in which the oil is heated to keep it at the right temperature were among the faults that had been revealed in this way."

Aerial surveys, though effective in enabling large and complex sites to be surveyed instantly and objectively, remained at present more a qualitative than a quantitative aid, Dr David Williams of Clyde Surveyors said.

Other factors such as the construction materials and weather conditions also affect the "imagery", as the pictures are called. In a good example of the well-established diversification practised at the Atomic Energy Research Establishment at Harwell an image analysis group is working on ways of obtaining more precise, quantitative information from the aerial surveys.

Earlier, on a visit to the Royal Signals and Radar Establishment, a seminar on thermography and energy management Dr Gill Haigh of Harwell reported that the technique was valuable for identifying building defects, because these were often associated with a change in the external surface temperature. Examples included damaged insulation, water penetration, uninsulated girders, air leaks around windows and steam leaks.

In industrial use for plant monitoring, Mr M. A. Barrie of the AGA company told the seminar: "thermography could make it possible to look at design, workmanship and materials failure. Uninsulated observation holes in a furnace, unlagged steam pipes and a complete breakdown of insulation in a crucial storage tank in which the oil is heated to keep it at the right temperature were among the faults that had been revealed in this way."

Aerial surveys, though effective in enabling large and complex sites to be surveyed instantly and objectively, remained at present more a qualitative than a quantitative aid, Dr David Williams of Clyde Surveyors said.

Alan Budd

Muddled thinking about the financial strategy

Stationary Budget (on its definition) is consistent with economic recovery, it quotes Mr Nigel Lawson's speech to the Institute for Fiscal Studies:

"It is the Government's contention that it is essentially the growth of the money supply in relation to inflation that will be the prime determinant of the overall level of domestic demand and hence output in the economy, and not the fiscal stance."

It is quite clear from the context that Mr Lawson was talking about the short term. The report appears to accept that argument, but then goes on, quite irrelevantly, to criticize the view (which no one holds) that the MTFS determines the rate of growth of the real money supply (ie, the money supply adjusted for inflation) and of output in the longer term.

The logic of the Government's strategy is as follows. The MTFS determines the growth of the money supply. This in turn will lead to determine the growth of nominal output. If inflation continues at a faster rate than the growth of the money supply, output will fall, but once inflation adjusts—as now appears to be happening—there is scope for real output growth within the monetary constraint. The Treasury is now hoping for a recovery of output of this type.

In the longer term the real growth of output will depend on the technical performance of the economy. The inflation rate will depend on the growth of the money supply less the growth of output (and on any changes in the velocity of circulation). These factors

in turn will determine the growth of the real money supply.

Thus the report has it exactly the wrong way round. The Government does not believe that in the longer term the growth of output depends on the growth of the real money supply; on the contrary it believes that the growth of the real money supply depends on the growth of output. It is one thing to question the Government's arguments; it is another thing to misunderstand them completely.

It is said that this may be the last report on general economic policy, at least for the time being. I believe this would be unfortunate, since there are still major questions to be raised about the Government's strategy. The report rightly criticizes the cuts in public investment. I believe that this part of the Government's policy is barely defensible.

I am surprised that it does not emphasize more the much poorer outlook for personal tax in this year's MTFS. The "fiscal adjustment" (which is inevitably a flimsy calculation) in 1983-84 is now only enough to offset the rise in the personal tax burden expected this year. That is a most damaging admission given the importance attached to the "supply side" effects of cuts in income tax.

Finally, there is the central question about the economic strategy. It is really true that the reduction of inflation is the necessary condition for sustained economic growth, as the Government so often asserts? A high price has already been paid in terms of the recent fall in output and the Government has now halved the assumed rate of growth over the next three years.

It is surely right that the committee should continue to press the Treasury to explain how far the recession has been due to its counter-inflationary policies, and to the extent that it has, to ask whether the price is worth paying. These questions are worth asking regardless of whether individual members support or oppose the strategy as a whole.

The author is Director of the Centre for Economic Forecasting at the London Business School and a former adviser to the Treasury Committee. He resigned in March over a disagreement about the role of advisers to the committee.

Saving money by 'seeing' heat



A thermal photograph (right) of the house on the left. The lighter areas show where heat is being lost from the house.

Insulation which the survey had shown to be necessary):

"A leading cause for losses was seen to be losing heat from its heating panels at night when the bay was not in use; a workshop was identified where the temperature controller was out of action; a supposedly well-insulated store room was seen to be losing heat (this was traced to hot ducting in the roofspace that needed lagging); inefficient steam traps were identified; an underground steam pipeline was shown to be insufficiently insulated (as a result it was scrapped and replaced by another heating system); ventilation roof-vents were seen to be open (traced to a faulty mechanism)."

These were but a few of many benefits obtained from the survey of the St Helens sites. The same company has gone on to continue to use both ground-based and aerial thermography to give cost-effective energy saving and plant condition monitoring.

In general, the relative temperatures show up as differences in shading (either in black and white or in colour), with different shades corresponding to known temperature differences. A roof which appears as white in the picture will be relatively warm; one which appears black will be cool. White areas on an otherwise black roof can indicate faulty or absent insulation. A thin white line can trace the otherwise unknown path of an inadequately insulated steam pipe.

Other factors such as the construction materials and weather conditions also affect the "imagery", as the pictures are called. In a good example of the well-established diversification practised at the Atomic Energy Research Establishment at Harwell an image analysis group is working on ways of obtaining more precise, quantitative information from the aerial surveys.

Earlier, on a visit to the Royal Signals and Radar Establishment, a seminar on thermography and energy management Dr Gill Haigh of Harwell reported that the technique was valuable for identifying building defects, because these were often associated with a change in the external surface temperature. Examples included damaged insulation, water penetration, uninsulated girders, air leaks around windows and steam leaks.

In industrial use for plant monitoring, Mr M. A. Barrie of the AGA company told the seminar: "thermography could make it possible to look at design, workmanship and materials failure. Uninsulated observation holes in a furnace, unlagged steam pipes and a complete breakdown of insulation in a crucial storage tank in which the oil is heated to keep it at the right temperature were among the faults that had been revealed in this way."

Aerial surveys, though effective in enabling large and complex sites to be surveyed instantly and objectively, remained at present more a qualitative than a quantitative aid, Dr David Williams of Clyde Surveyors said.

Other factors such as the construction materials and weather conditions also affect the "imagery", as the pictures are called. In a good example of the well-established diversification practised at the Atomic Energy Research Establishment at Harwell an image analysis group is working on ways of obtaining more precise, quantitative information from the aerial surveys.

Earlier, on a visit to the Royal Signals and Radar Establishment, a seminar on thermography and energy management Dr Gill Haigh of Harwell reported that the technique was valuable for identifying building defects, because these were often associated with a change in the external surface temperature. Examples included damaged insulation, water penetration, uninsulated girders, air leaks around windows and steam leaks.

In industrial use for plant monitoring, Mr M. A. Barrie of the AGA company told the seminar: "thermography could make it possible to look at design, workmanship and materials failure. Uninsulated observation holes in a furnace, unlagged steam pipes and a complete breakdown of insulation in a crucial storage tank in which the oil is heated to keep it at the right temperature were among the faults that had been revealed in this way."

Aerial surveys, though effective in enabling large and complex sites to be surveyed instantly and objectively, remained at present more a qualitative than a quantitative aid, Dr David Williams of Clyde Surveyors said.

Other factors such as the construction materials and weather conditions also affect the "imagery", as the pictures are called. In a good example of the well-established diversification practised at the Atomic Energy Research Establishment at Harwell an image analysis group is working on ways of obtaining more precise, quantitative information from the aerial surveys.



keys (Formerly Faery Surveyors) admit. But the "grey" scale of a monochrome picture could be colour-coded to produce images in which temperature differences of only 1°C could be indicated by different colours. Dr Susan Fritchard, of Harwell, summarized the value of, and response to, the infra-red imagery. It gave an easily understood overall view; indicated priorities; exposed unexpected heat losses; and had an impact on management. Responses typically were to fix faults; switch off unnecessary heating; provide floor controls; and improve insulation. But it is at Harwell, I had seen a film which effectively empha-

sized the link between the military and civil uses of this "see what can't be seen" technology. An infra-red film taken at night showed an armoured vehicle moving across open countryside. The vehicle was visible in almost as much detail as it would have been in daylight.

But, more than this, the night watcher could clearly see the one shot absorber that was overheating (because its whiteness showed up clearly). This is the power of the tool that is now helping industry to cut down its substantial energy losses.

Kenneth Owen

One of the world's most exclusive hotels

Toronto's most beloved hotel is now Toronto's most luxurious hotel.

Following a major refurbishment, at a cost of several million dollars, the King Edward reopens in May to resume its rightful and historical place as one of the world's most exclusive hotels.

This majestic hotel has 327 superbly appointed rooms: including 30 luxurious suites, ranging from elegant "studio" to magnificent "Presidential" apartments.

Restaurants and bars are excellent. The "Cafe Victoria" provides a distinguished background for dining throughout the day, and "Chiara's" an intimate atmosphere, perfect for its incomparable Northern Italian and French specialties.

The Mayfair Club, the "Conson" and "Lobby" bars, and the beautiful "Garden Court" are perfect for relaxing over drinks.

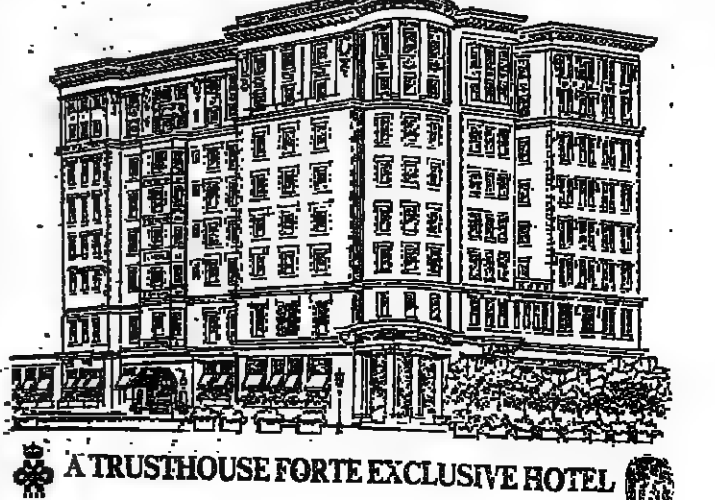
First-class leisure and health facilities are available. As too, for important gatherings, are boardrooms, banqueting suites and the famous "Vanity Fair" Ballroom. The restored majesty of the King Edward means the return of excellence to Toronto.

For reservations telephone London 01-567 3444.

Toronto, Canada

THE KING EDWARD

Toronto, Canada



A TRUSTHOUSE FORTÉ EXCLUSIVE HOTEL

Business Diary: Making Europe safe for Unilever

The past forty-eight hours of Britain's top business leaders and other worthies have been closed inside London's Intercontinental for the latest in a series of "Round Tables" organized by the European Management Association.

Speakers addressing the 50 or so participants at the long gathering have included Sir Tebbit, the lean and wiry looking industry minister, Norman Lamont, the 21-year-old minister, Peter Shore, Labour and holding the reins of the SDP, Shirley Williams, who dealt with the sequences of the re-aligning of British politics.

Williams had to say but, fortunately, these affairs are closed to the press; hence, says Geneva-based Forum, the executives of the possibility of old frank and practical sessions between themselves with prominent representatives of the countries concerned.

Forum, which runs an annual symposium in Davos, was chaired by Mr and Mrs, brings together executives throughout the world and assures them that it will be part of the

"direct, personal, high level links vital to business advancement."

A high level of secrecy is maintained about the membership of the Forum.

However, chairing the United Kingdom Round Table has been Sir Patrick Mayhew, chief executive of the Thomas Tilling Group flanked, appropriately, by a number of other knights or speakers, including CBI president Sir Raymond Penneck and another CBI stalwart, Sir Alex Jarratt, chairman and chief executive of the Reed Group. Also in attendance at the opening dinner was Jeffrey Benson, director and chief executive of the National Westminster Bank.

The proposition that in Europe politics is too serious to be left to the politicians was on the menu at a City lunch yesterday. The occasion was the 90th anniversary of the Chamber of Commerce.

The principal speaker was Sir David Orr (right, photographed by Bill Warhurst yesterday), chairman of Unilever and former joint chairman of the chamber.

Sir David, speaking at Carpenters Hall, evidently has a growing chip on his shoulder since the recent poll which suggested that more than half of Britons would like to pull out of the EEC.

He was asked to deliver a speech entitled "Does the EEC mean business?" by the present joint chairman, Ari de Gues, a director of Shell International and James Clesminson, chairman of Reckitt & Colman.

Like Sir David, they are evidently concerned that, unless business speaks out, the politicians will so bundle it that withdrawal from the EEC is a big issue at the next general election here.

Sir David said the "spirit of cooperation" was vanishing within the EEC, and there was a serious threat to the Community's budget deficit. He said that the common agricultural policy needed reform in order to eliminate wasteful surpluses.

He told me that as a "warm" supporter of the EEC he was dismayed by the ineptness of ministers, "whether it is the agricultural ministers or the foreign secretaries."

He said: "I think they carry their squabbles into the open and blow up small issues because of the impression that they are going to make when they are reported back home. I think this is hurting the atmosphere badly."

I think the Commission themselves do not seem to do their best to do their persuasion in advance.

That could just as well apply to the chamber, who had billed as their guest of honour their patron, Prince Bernhard, consort of Princess Juliana, The Netherlands' Queen Mum.

Accordingly 200 top United Kingdom and Dutch business people bought tickets for yesterday's affair (£22.50 a head, plus the EEC's VAT) on the expectation of working the office by saying they had rubbed shoulders with royalty.

The Prince, I am told, abdicated this honour in a huff, after a mix-up over the invitation.

The only royal presence was that of Princess Juliana herself in a party on the walls of Carpenters Hall. Sir David, an honorary member of the Carpenters,

Margery Hurst (photographed above, in London yesterday by Bill Warhurst) was in uncharacteristically reticent mood after becoming a Freeman of the City of London at a ceremony in the Guildhall.

She asked for no more than one line in my column recording the fact, her shyness perhaps reflecting the nervousness of the new livery company which put her forward for the honour, the Worshipful Company of Markers.

Ms Hurst, dayne of the secretarial agencies and co-founder with husband Eric of the Brook Street Bureau group, is the first lady liveryman of the six-year-old markers founded by fellows of the Institute of Marketing.

Reggie Bowden, founder-master of the markers, told me yesterday that they had

chosen this word in preference to "markers" or "markerers" because it expressed supremacy in marketing much as "professor" more so than "lecturer" spells supremacy in teaching.

Paul Bazalgette, senior partner at stockbrokers Phillips & Drew, has written to protest his firm's innocence in the matter of the ban on bicycles from the office underground car park I mentioned the other day.

The blame, Bazalgette explains, lies with "our stern landlords," who call to the landlords, the English Property Corporation, elicited that they have no general ruling against the parking of bicycles about their many properties.

Who then banned the bikes? Step forward Terry Mason, housekeeper for Lee House, off London Wall in the City where Phillips & Drew are tenants.

Let in one, you get a hundred, says Terry Mason. Bazalgette says that Phillips & Drew will be happy to discuss EPC's portfolio with them "for the usual modest fee."

Now read this, Sir Geoffrey. Non-professionals in Sweden who pick wild berries and edible mushrooms are to be allowed to sell £507-worth before paying tax. A lot of votes around Wimbledon Common in this one.

Ross Davies

FINANCIAL NEWS

Stock markets

Hopes of recovery send equities surging

Hopes that the worst of the recession is now over saw equities end the account on a sizzling note yesterday.

Prices surged ahead from the start with strong institutional demand pushing the FT index gradually nearer its all-time high of 558.6. Dealers reported further interest in new-time buying ahead of the long three-week Easter account, which starts today.

One leading jobber described business last night as "hysterical" and said the market was now "hell bent" on passing the all-time high achieved on May 4, 1978. As it was, it closed at its best for the day at 549.8 up 10.4.

Once again stock shortages played a big part in many of the price increases, although there were several bright spots on the takeover front and among the long list of companies reporting. Rubber plantations also drew support, and recovery prospects boosted foods and engineering.

However, government securities did not share the equity market's optimism. The sheer weight of tap stocks on offer again deterred investors.

With a call of £460m being made later today on the Treasury 12 per cent 1986, investors were in no mood to open new positions as prices fluctuated within narrow limits.

In longs, the list closed unchanged, while at the shorter end prices recovered after a nervous start to end the day 4.4 higher. The latest figures on the central government borrowing requirement were generally discounted.

Leading industrials followed the rest of the market higher, but turnover was lighter than of late. Redundancy worries resulting from production problems saw ICI close unchanged at 264p but Imperial Group shed 3p to 741p.

Elsewhere, Glaxo, reporting next week, climbed 4p to 324p along with Hawker Siddeley, also expecting figures, 8p to 332p. Unilever rose 7p to 528p, British Aerospace 5p to 208p and Dunlop 1p to 69p. Full-year figures from Bowater were not

Heavy new-time buying lifted shares of Tanks Consolidated Investments, formerly Tangeva, 18p to 180p, to a new high of 361p yesterday. Word in the market was that Minoro was about to launch a bid, but Tanks denies any knowledge of it. Societe Generale de Belgique holds a 29 per cent stake.

as bad as feared and earned a 10p rise to 263p. Impressive trading news also resulted in a 5p increase at Associated Book Publishers at 221p, while Bowthorpe rose 21p to 180p. Feb International "A" 12p to 83p. Lead Industries 2p to 153p. FJC Lilly 8p to 146p. Midland Industries 5p to 73p.

On the takeover front, British Shires of NCC Energy returned 19p at 123p after announcing that bid talks with UNC Resources had broken down. In the meantime, shares of F Wrighton were suspended at 6p pending a further announcement.

On the takeover front, British Shires of NCC Energy returned 19p at 123p after announcing that bid talks with UNC Resources had broken down. In the meantime, shares of F Wrighton were suspended at 6p pending a further announcement.

Rubertoid 6p to 90p, Richards (Leicester) 8p to 51p, Ward White 1p to 63p, Wain Blake Bearn 3p to 206p, George Wills 2p to 62p and Wm Sindall 26p to 160p.

But the annual figures from Taylor Woodrow were below expectations and the price dipped 2p to 569p. The profits setback lopped 3p from Morgan Crucible at 141p.

Still reflecting trading statements earlier in the week, S Jerome rebounded 15p to 120p. Grattans Warehouses 6p to 96p while Aquasunum rallied 4p to 40p after recent disappointing figures. Reporting later today, Lyle Shipping advanced 8p to 363p.

Shares of NCC Energy returned 19p at 123p after announcing that bid talks with UNC Resources had broken down. In the meantime, shares of F Wrighton were suspended at 6p pending a further announcement.

On the takeover front, British Shires of NCC Energy returned 19p at 123p after announcing that bid talks with UNC Resources had broken down. In the meantime, shares of F Wrighton were suspended at 6p pending a further announcement.

Sugar tumbled 8p to 303p amid growing fears that S & W Berford, up 8p at 120p, might not make another offer. Rothmans International, still in bid talks, made further progress with the "B" closing 3p better at 81p while Tunnel "B" improved 10p to 388p after rejecting the terms from T. W. Ward, up 1p at 130p.

The possibility that RMC was about to bid for the remaining shares boosted British Dredging 3p to 30p, but news that Barroitt & Hallamshire had failed its 20 per cent stake knocked Silkelene, Lubricants 15p to 255p.

Fears of a reference to the Monopolies Commission left Royal Bank of Scotland 8p off at 164p while, Hongkong and Shanghai slipped 2p to 133p and Standard Chartered closed unchanged at 662p. Elsewhere in banks, Barclays improved 13p to 418p, National Westminster 12p to 365p, Midland 3p to 320p, and Lloyds 10p to 355p.

Speculative attention was focused on Mercantile Credit, 12p higher at 620p, AF Bulgin "A" up 3p to 351p, Barton and Sons up 4p to 351p and Polymark 8p ahead at 90p.

Recovery hopes had GKN 10p higher at 156p in engineering along with Tubes 6p to 214p.

Expect further acquisition news shortly from Phoenix Mining & Finance, which only a fortnight ago announced it had taken a 50 per cent stake in Kane Investments of Jersey. The investments of Jersey, 58p, shares of Phoenix stood at 58p, but yesterday they jumped 7p to 74p, and are being hotly tipped to touch 100p some time this account.

Thomas Tilling 7p to 173p, and Vickers 7p to 174p. In foods, rises were seen in J. Sainsbury 3p to 402p, Kwik Save Discount 7p to 223p and Rowntree Macintosh 8p to 186p.

News of a property deal lifted Hongkong (Solestar) 100p to 875p and signalled a mad rush for shares in rubbers. Stock shortages also exaggerated the situation with Barlow Holdings up 7p to 120p, Castlefield 10p at 450p.

Eggs turnover for April 8 was £164.2m (bargains 20,749). Active stocks, according to the Exchange Telegraph, were Bowater, Thorn EMI, Carless, BICC, RTZ, Barclays Bank, Berran, Plessey, Jeremy Sons, and Traditional options: Dealers reported moderate activity yesterday. Calls were made in Rothmans at 81p, in French Kier at 61p and Johnson Firth Brown at 3p. Doubles were completed in Shell, Carrhall and ICI at 32p.

Traded options: A total of 1,854 contracts were made. Courts took 678, Commercial Union 15, Barclays Bank 127, Consolidated Gold 40 and ICI 205.

Stewart Wrightson holds payout despite 29pc fall

By Richard Allen
Insurance Correspondent
Stewart Wrightson, the insurance broker, has been harder hit than the stock market feared by the combined effects of competition in world markets and the recession at home.

As a result, pretax profits plunged 29 per cent to £7.4m last year, against market expectations of £8m to £9m. Despite the setback the group has decided to maintain the dividend with a final payment of 11.64p gross, making the total for the year 17.14p gross.

This payment is 1.5 times covered by stated earnings of 18p a share against 28.3p previously.

Stewart Wrightson has been affected more seriously at its pretax level than many of its rivals because of its high spending on computerized systems. As a result, the group's expense ratio has risen from about 85 per cent of turnover to about 96 per cent to send profits from £10.4m to £7.4m, a plunging from £6.4m to £2.5m, despite a rise in breaking turnover from £43.9m to £46.3m.



Mr Gordon Henry, chairman of Stewart Wrightson.

An overall trading profit fall from £5.9m to £3.1m was offset to some extent by a rise in investment income from £5.1m to £5.8m. But the group's interest payable also rose sharply from under £1m to £1.63m, mainly reflecting debt raised to finance an acquisition in the United States.

The group was also in the swing in exchange with sterling's inc strength wiping about £5c from pretax profits.

The group's under operations helped to tal strain with the insurance companies chipping in a p from £1.7m to £2.2m, ab profits from the Lloyd's writing agencies dipped £595,000 to £408,000.

Mr Gordon Henry, cha said yesterday that al there were some signs of the market, co remained difficult.

"It would be unwe exact 1981 to be oth difficult year," he adde. Another Stewart Wrightson said that the re in Britain had led to d from clients in the m turing industry, in p for substantially reduce time premiums. At the time competition in the States had severely i the traditional flow of iums to the London ma

NCC Energy drops UNC in favour of Simplicity

By Catherine Gunn

NCC Energy has dropped merger talks with United States uranium extraction group UNC Resources in favour of a merger with New York-based Simplicity Pattern, NCC's share listing, suspended at 142p on March 27 during the talks with UNC Resources, was restored at 2pm yesterday. The shares fell at first to 120p, and ended at 123p.

UNC Resources is understood to have offered NCC 150p a share in shares and cash, but Mr Graham Ferguson Lacey, NCC's chairman, feels that the

Simplicity deal, which is still under discussion, is a better one. He has already been invited to become chief executive of Simplicity, and two other NCC directors will also join the Simplicity board. NCC has 15.4 per cent of Simplicity.

Simplicity has no debt and around \$92m (£42m) in cash. Mr Ferguson Lacey has transformed NCC from a manufacturer of "Rexco" smokeless fuel into an energy group with a substantial oil, oil and mineral interests in the United States, in 18 months.

Small rise at Taylor Woodrow

By Our Financial Staff

For the twentieth evening, Taylor Woodrow, the construction contracting, building, building mater plant hire group, ha headway. But in 1980 i near thing.

Pretax profits to £268,000 to £24.8m a group has been using sion to strengthen its the market. Turnover 18 per cent to £520m an spending on plant is n in the 35 per cent inci depreciation to £11.7m.

The group found though abroad where it pound told against pr it was thanks largely United Kingdom, con division that the grou went ahead. It has made for itself in high re work, such as nuclear station-building and No installations. Elsew going was difficult.

The market was unim The shares slipped 2p It had hoped for pr; £26m or so. Earnings hardly moved at 56.1p increase in dividend took the form of a special payment to m group's diamond jubilee means that the direct free not to pay it in s years. In tota the gnu hution rises from 19 23.32p.

With a turnover as £520m any widening would have a quick im profits. But Taylor W work often extends ov and the profits now i refer in some measur past before 1980. So it is important, and pretax were as high as £21m ago as 1976.

London and Manchester—a year of steady progress.

Extracts from the statement by the Chairman, Mr H. K. Brown, F.C.A., on the Group Report and Accounts for 1980

In spite of the difficult trading conditions during much of the past year the Company has continued to make steady progress. I would like to express to all members of the staff my appreciation for their good and loyal work which has contributed in no small measure to the satisfactory results now before you.

I regret to record the recent deaths of two former directors of the Company, The Rt. Hon. Lord Rhy, P.C., O.B.E., and Mr. George Tyrrell, F.I.A. Lord Rhy was appointed to the Board in 1960 and retired on reaching age 70 in 1977. Throughout his period of office the Company benefited from his shrewd wisdom and sound advice. Mr. Tyrrell was appointed Actuary and elected to the Board of Directors in 1970, retiring in 1975 after 45 years valued and loyal service to the Company.

Computer Development
In my last statement I commented on the need to apply new technologies, where appropriate, in order to maintain an up-to-date and efficient organisation. The decision has been taken to embark on a comprehensive systems development programme, the costs of which are already having a substantial impact in the accounts of the Group. In 1980, the total expenditure on redevelopment, including the costs of internal and external resources as well as additional hardware costs incurred to support the development work, was £2.6m and such expenditure will continue for the next two to three years, although not necessarily at this level. A substantial part of this expenditure is of a non-recurring nature and it is proposed to cushion the impact of the cost by calling upon reserves held in each of the areas being developed and by this process safeguarding the current share of surplus for both shareholders and policyholders so that dividends and bonuses do not suffer in the short term on account of expenditure designed to benefit future generations.

Ordinary Branch
The Ordinary Branch business of the Group is introduced through the home service and the life broker divisions. In the home service division a significant contribution towards the results for 1980 was made by the successful launch in May of a new flexible endowment contract known as "Early Harvest" which helped to produce a 10 per cent increase in net new annual premiums to £2.9m.

In the life broker division results were adversely affected by the dull house mortgage market which persisted throughout 1980. Net new annual premiums were nevertheless maintained at £1.7m as a result of increased sales of the Group's range of protection, investment linked and individual pensions contracts. Much remains to be done in establishing the life broker division in the market place but it is encouraging to note the element of stability achieved in what has been widely recognised as a difficult year for the industry.

Industrial Branch
Business in this branch continues to thrive in spite of the unfavourable economic climate and new annual premiums were higher by 22 per cent compared with the corresponding figure in 1979. The reduction in the rate of life assurance premium relief from 17½ per cent to 15 per cent in April 1981 will make it more difficult to achieve such a strong new business result in the current year.

Pensions Division
This division has now completed its fourth year of full operation, making a comprehensive range of employee benefit arrangements, primarily through national brokers and pensions consultants. In 1980, increases in net new annual and single premiums of 14 per cent to £2.0m and 76 per cent to £1.8m respectively were achieved. As a matter of policy, a continuation was sought of the trend away from risk business and towards pensions business, with the result that net new annual premiums for the latter category were increased by 28 per cent.

General Branch
Hitherto the underwriting risks in this branch have been wholly reinsured. In 1978 the Company announced its intention to take a more active participation in the underwriting risks of the branch when the agreement with Sun Alliance and London Insurance Limited expired in December 1980. I am pleased to report that, as a result of discussions with that company, arrangements have been concluded extending over the next three years for the continued reinsurance of some 50 per cent of the account enabling the Company in future to enjoy a considerable measure of independence, whilst retaining the continued support and assistance of Sun Alliance with whom there has been a close association for more than 50 years. I should like to express to the officials of that company my appreciation for their help and support under the reinsurance arrangements and my pleasure at the continuing association with them.

Premium income in 1980 exceeded £5m and the underwriting experience was materially better than during the previous year. The results in this branch have, however, been affected by the computer development programme referred to earlier in my statement. Costs of

approximately £500,000 have been incurred during the year and this expenditure has been substantially offset by the release of a provision for General Branch expenditure of £411,000 which is no longer required.

After giving effect to these items a loss of £181,000 has been transferred to profit and loss account.

Investments
A feature of 1980 in the equity market was the strong performance of investment trust shares due partly to activity in rationalising a number of the trusts and also to recognition that discounts had become unjustifiably high. The Company continues to have a considerable interest in this sector and has benefited accordingly.

So far as the investment portfolio of the main London and Manchester life funds is concerned some £12m was invested during the year in British Government securities to take advantage of the high rates of return available. Some £4.5m was realised from the sale of other fixed interest securities and in the equity market opportunity was taken to reduce the holdings of U.K. equities by £2.7m and to invest £3.6m overseas, mainly in the United States. Property investment increased during the year by £3.7m and mortgages by £1.4m. Investment income showed a satisfactory increase over the figures for the previous year and the yield on the London and Manchester main life funds has risen to 13.03 per cent.

Bonuses
In the Ordinary Branch a reversionary bonus of £5.10 per cent of the sum assured has been declared compared with £4.50 per cent in the previous year.

In the Industrial Branch the annual reversionary bonuses have also been improved.

To provide for terminal bonuses the sum of £2.5m has been transferred from investments revaluation reserve, £1.3m to the Ordinary Life Fund and £1.2m to the Industrial Life Fund.

Profit and Loss Account
Transfers from the life funds on the usual basis provided £394,000 from the Ordinary Branch and £1,069,000 from the Industrial Branch and the sum of £460,000 has been transferred from the Investment Trust Redemption Annuity Fund.

There has been an increase in investment income of £167,000 and, after setting off the General Branch loss of £181,000 and the charges for expenses of management and taxation, there remains a balance of £7,047,000.

Your Directors have decided to recommend the payment of a final dividend of 7p per share which together with the associated tax credit would make a gross equivalent distribution of 10p per share. This, with the interim dividend paid in November 1980, would make a total gross equivalent for the year ended 31 December 1980 of 15p per share (1979 12.50p per share).

After providing for these dividends the balance carried forward has been increased by £629,000.

Welfare Insurance
Since London and Manchester commenced writing group pensions business some four years ago, it has been the practice to locate all such business within the life fund of Welfare. During 1980 action was initiated to achieve a formal segregation of the funds attributable to the Group's life and pensions businesses, resulting in the whole of Welfare life assurance business being measured for this reinsurance as from 1 January 1981. The consideration for this reinsurance was the transfer from Welfare to London and Manchester of assets valued on an open market basis at some £60m. Consequently the assets remaining in Welfare relate solely to pensions, general annuity and permanent health insurance business. The new structure will serve to simplify the taxation treatment and facilitate the selection of investments most appropriate to each sector of the business without affecting the Group's various marketing outlets.

The Future
Over the past two years and during the course of what has emerged as a deep world-wide recession, grave doubts have been expressed about the future of British industry in an increasingly difficult and competitive environment. Many companies and indeed whole sections of industry have been very badly hit.

The management and staff of your Company have demonstrated, and are continuing to demonstrate during the current year, that the difficulties created by prevailing economic conditions for an institution such as this can be overcome and that the products of an efficient and profitable organization operating in the insurance industry are still much in demand.

High rates of inflation in a period of economic uncertainty present to the management of a financial institution, particularly an insurance company operating in the home service market, a challenge both to skill and determination. Your Directors are confident that the Company is meeting these conditions in a manner that will ensure continued security and benefit to policyholders, staff and shareholders alike through the current situation and into the improving economic climate which hopefully lies ahead.

Blackwood Hodge profits tumble

By Peter Wainwright

Blackwood Hodge, the world's largest distributor of earth-moving equipment, went steeply downhill in the second half of last year.

A policy of going after market share pushed pretax profits down 12 per cent to £3.8m in the first six months even though sales rose by 14 per cent to £154.5m. For the full year sales inched ahead by 6 per cent to £298.4m. But at 1979 exchange rates, the increase in turnover was 13 per cent.

So pre-interest profits fell from £22.1m to £18.3m. But a strategy of running high stocks financed by heavy borrowings, meant, in a year of dear money

around the world, interest charges of as much as £13.8m. Blackwood Hodge's pretax profits plunged from £10.8m to £4.9m, inflation adjusted, a loss of £2m was made.

After tax, net profits after minorities were only £2.1m against £5.8m, enough by just £24,000 for dividends totalling £2.08m. The ordinary payment is 3.58p gross again.

Mr William Shapland, chairman, and his colleagues point to a strong dividend cover in the 12 months ending January 31, 1982, and to an order intake in the first two months of the current year half as high again as the 1980 average.

The group does not think that this rate of ordering will persist, nor does it know when the

world recession will end. However, the "trend" is right. That must also go for interest charges on borrowings which are still well over 100 per cent of shareholders' funds which shrank to £67.7m last year. The group is also a beneficiary of lower world interest rates.

On the trading front, the group welcomes the takeover of the Terex division of General Motors by a former employee, Herr Horst Dietrich Esch, a transaction which will bring Blackwood Hodge's total sales.

The shares slipped 11p to 422p yesterday despite 83p of net assets. One third of the shares are in family trusts. They yield 8.2 per cent.

Briefly

Green's Economiser Group: Turnover for 1980, £20.66m (£21.02m). Pretax profits, £1.85m (£1.07m). Total dividend, 8.21p (£4.79p).

Cap Industries' subsidiary, Cape Scaffolding, has bought Altridex Scaffolding. Value of assets being acquired: about £700,000.

George Wills & Sons (Holdings): Turnover for 1980, £70.8m (£68.6m). Pretax profits, £11.82m (£11.6m). Total dividend raised from 5.14p (adjusted for scrip issue) to 6.42p gross.

Hirst & Mallinson has bought Megabyte, a leading supplier of computer-based business systems. Price: £350,000 cash and payments in 12 months and 24 months' time of an amount equivalent to 75 per cent of the pretax profits in the 12 months ending January 31, 1982, and January 31, 1983.

Richards (Leicester): Turnover for 1980, £5.46m (£5.62m). Pretax profits, £293,000 (£155,000). Total dividend, 11.25p gross.

General Investors and Trustees: Pretax profits for year to January 31, 1981, £1.74m (£1.73m). Total dividend, 3.57p gross, against 8.42p, including a special dividend.

Road Street Finance: Offered by Auchinleck Investment, now unconditional. Acceptances: ordinary, 81.4 per cent; loan stock, 45.2 per cent.

Reh International: Sales for 1980, £14.23m (£12.33m). Pretax profits, £772,000 (£518,000). Total dividend, 4.28p (3.5p), gross. One-for-two scrip issue in shares for ordinary and "A" shareholders.

Clarke, Nickolls & Coombs: Gross revenue for 1980, £2.28m (£1.28m). Pretax profits, £244,000 (£245,000). Total dividend, 5.17p gross.

Brooks Watson Group: Sales for 1980, £125.16m (Irish currency), against £118.43m; pretax profit, £250,000 (£221,000). Total dividend cut from 4.28p to 1.43p gross.

Bilfinger Engineering: Group turnover for 1980, £15.85m (£14.81m). Pretax loss £145,000 (profit £1.41m). Earnings before extraordinary items, £2.40p (1979 10.09p before extraordinary release). Dividend, 2.14p gross (5p).

GKN and Tubes differ on view of economy

By Our Financial Staff

The chairman of Britain's two best engineers came out with opposing views on the Government's economic policy in annual reports published today. Sir Brian Keller, chairman of Tube Investments, asks for a coherent national policy for industrial survival, with Government seen to be working for its achievement.

He acknowledges recent relief to industry by lower interest rates and a weaker exchange rate, but adds "the outlook and the basis for rational judgment about the future remain as uncertain as ever in the absence of any coherent Government industrial policy".

Lamenting the loss of 8,000

employees in 1980, the dividend and profits collapse to £26.7m against £52.2m in 1979. Sir Brian gives no indication that TI has seen recovery signs.

Mr Trevor Holdsworth, chairman of GKN, which made a £1m pretax loss last year says that manufacturing industry, which has made substantial change, was faced with increased charges for goods and services from providers who are complacently dealing with their employees as if maintaining their standard of living or jobs was an unquestionable right.

It is the Government's responsibility to change this and so far it has not succeeded.

Mr Trevor Holdsworth, chairman of GKN, which made a £1m pretax loss last year says that manufacturing industry, which has made substantial change, was faced with increased charges for goods and services from providers who are complacently dealing with their employees as if maintaining their standard of living or jobs was an unquestionable right.

It is the Government's responsibility to change this and so far it has not succeeded.

Lamenting the loss of 8,000

Setback at associate hits Lead Industries

By Our Financial Staff

Lead Industries Group's second half showed the full impact of the recession as well as the effects of exchange rate and high energy costs at its 50 per cent-owned associate, Tioxide Group.

Pretax profits for the year to December 31 down by half to £10.3m while sales increased from £390.3m to £402.3m. The rise came from the inclusion of full-year figures from the 1979 American acquisitions but sales values were lower because of the substantial fall in the lead price.

Trading profits from subsidiaries slipped from £2.7m to £2.2m and associates' profits dropped from £14.3m to £11.3m. Interest charges climbed from £8.8m to £13.1m because of the American acquisitions and Trioxide's capital expenditure on the chairman, said, that after several months of poor trading in the UK and the US there was no evidence of a real recovery, although the last quarter's business was not quite so bad.

Some US operations made losses but most UK subsidiaries managed well in the circumstances, while established businesses overseas had a successful year, he said. The dividend has been maintained at 8.5p, making 13.7p.

Tioxide, in which ICI also has a 50 per cent stake, was hit by the deterioration in European trading conditions in the last nine months.

managed well in the circumstances, while established businesses overseas had a successful year, he said. The dividend has been maintained at 8.5p, making 13.7p.

Tioxide, in which ICI also has a 50 per cent stake, was hit by the deterioration in European trading conditions in the last nine months.

managed well in the circumstances, while established businesses overseas had a successful year, he said. The dividend has been maintained at 8.5p, making 13.7p.

Tioxide, in which ICI also has a 50 per cent stake, was hit by the deterioration in European trading conditions in the last nine months.

managed well in the circumstances, while established businesses overseas had a successful year, he said. The dividend has been maintained at 8.5p, making 13.7p.

Tioxide, in which ICI also has a 50 per cent stake, was hit by the deterioration in European trading conditions in the last nine months.

managed well in the circumstances, while established businesses overseas had a successful year, he said. The dividend has been maintained at 8.5p, making 13.7p.

Tioxide, in which ICI also has a 50 per cent stake, was hit by the deterioration in European trading conditions in the last nine months.

managed well in the circumstances, while established businesses overseas had a successful year, he said. The dividend has been maintained at 8.5p, making 13.7p.

Tioxide, in which ICI also has a 50 per cent stake, was hit by the deterioration in European trading conditions in the last nine months.

managed well in the circumstances, while established businesses overseas had a successful year, he said. The dividend has been maintained at 8.5p, making 13.7p.

Tioxide, in which ICI also has a 50 per cent stake, was hit by the deterioration in European trading conditions in the last nine months.

managed well in the circumstances, while established businesses overseas had a successful year, he said. The dividend has been maintained at 8.5p, making 13.7p.

FINANCIAL NEWS

Bibby plan to counter French imports

J. Bibby, the agricultural and industrial group, this week launches a range of new turkey products aimed at beating the rising French turkey imports that flooded last year's Christmas sales.

Of the total turkey market of 20m birds, the French sold 2m to British customers. Although Bibby maintained its market share at around 10 per cent of sales, profits were squeezed and the group is looking to increase sales this year with the new processed turkey products.

Presenting the accounts yesterday, Mr Leslie Young, chairman, said Bibby should be able to at least match last year's results in the coming year. In 1980 Bibby achieved 11 per cent pretax profits gross of £10.8m.

With gearing at a low of 7 per cent and cash resources of over £6m the group aims to send some £10m this year on organic growth.

Ruberoid tops £2.2m record year

A 27 per cent rise in pretax profits to a record £2.26m for 1980 is reported by Ruberoid, a building products, specialist contracting, paper and plastics group. This was achieved on a turnover of 23 per cent at up to £45.21m.

This is the fifth consecutive year of profit growth. Earnings were doubled in two years and grew five-fold in 1975-80. A total dividend is going up 1 per cent to 5.35p gross, up 3.1 times.

Stanley Gibbons interests to be sold

It is announced by Letrasat at time of its half-year results, non-philatelic interests of Stanley Gibbons offshoot being significantly curtailed. Recent has been reached in respect of the sale of Mayery and of Stanley Gibbons sales. The former is being sold jointly by Mr B. Rosen and James (Norwich) Lyons, while the latter is acquired by its existing management.

At the same time, over-the-counter trading has ceased in area of banknotes, coins, bonds, though trading will continue on a private treaty auctioneering basis.

William Sindall ses dividend

On turnover up from £20.51m to £29.35m, pretax profits of William Sindall, the Cambridge building and civil engineering group, rose from £218,000 to £413,000 last year. This year's profit back to the 1978 level. The total dividend is up from 6.42p to 7.35p.

Midland Inds falls, lifts payment

In the 12 months to December 1980, pretax profits of Midland Industries slumped to just 90—on a CCA basis loss of £238,000—compared with a pretax profit of £2.5m the previous 15 months. However, the dividend cut in 1979 was paid, against 4.28p for 1978, which is 3.42p on a normalized basis.

The board says it feels led in recommending an increased payment in view of the group's current performance and its confidence in the future.

Yet to benefit record year

Financial Group's chairman, reported that writing his annual report, he had seen little sign that the United Kingdom's economic clouds are dispersing. The Budget cut in the under-16s is welcome, but the under-16s' hesitation of the customers to commit themselves to significant expenditure is likely to be of importance in the next months.

Morgan Crucible slumps to £10m

By Our Financial Staff
Carbon ceramic and crucible maker Morgan Crucible saw pretax profits dive by 47 per cent to £10.03m in 1980.

Trading in the United Kingdom fell from the second quarter onwards with the recession making itself felt more severely in the last four months of the year. Trading was helped by the 3 per cent increase in exports to 59 per cent of total sales and a "brilliant" performance from the group's overseas companies, the board said. However this was not enough to compensate for weak United Kingdom demand.

Mr Ian Weston-Smith, chairman, said yesterday that there had been a "flickering of spring" in recent weeks. Orders, he said, while wholly unsatisfactory, were showing slight signs of improvement. The decline in United Kingdom demand had continued in the first quarter, but it appeared to be steady, suggesting that the severe destocking in the automotive and consumer industries might be near an end.



Mr Ian Weston-Smith, chairman of Morgan Crucible.

On sales higher at £123.7m against £113.28m in 1979, trading profits were down 28 per cent at £12.8m. But it was investment income, lower at £199,000 against £327,000, and interest charges, up to £2.9m from £1.3m, that held back pretax profits.

Interest charges were up following increased borrowings during the year to finance the two acquisitions, Franklin Oil and DIA, made in early 1980. DIA, Mr Weston-Smith said, had traded satisfactorily. Borrowings rose by £4.6m, of which £3.5m was for the acquisitions, and £800,000 for trading activities. The group has a gearing ratio of 33 per cent.

Redundancy costs and relocation of plant took about £1m in the second half of the year, and the cost of redundancies continued into the first quarter of 1981. Much of the costs came from reducing one activity in the special carbon division which had suffered for some time from Far Eastern competition.

Results from the four trading divisions were mixed. The thermic division—supplying high temperature equipment—was particularly weak.

The final gross dividend is unchanged at 4.2p, making a total payment for the year of 10.7p. The share price slipped back 3p from 144p, the year's high.

F J C Lilley's shares leap as profits climb 20pc

By Our Financial Staff
Shares in civil engineering and contracting group F. J. C. Lilley jumped 8p to 146p yesterday in response to a 20 per cent profit increase in the year to January 31. On sales up from £80m to £101.5m, pretax profits rose from £5.1m to £6.1m.

At the time of the rights issue in October, the board said it would propose a final dividend of 3.85p gross, but in the event the final is 4.57p, making a total for the year of 7.14p gross against 5.5p last year.

The board says that both new subsidiaries, Henry Jones and Son (Portsmouth) and Harrison Western in the United States

made their expected contributions. On current trading the board says the group's order book is at record levels with one third of the orders so far this year coming from overseas, as opposed to last year when exports and overseas construction accounted for 20 per cent of turnover.

However, the directors say it would be "unrealistic" to make any forecasts in the present climate, although "the group is now better placed to take advantage of opportunities as they arise worldwide, to sustain the progress achieved in recent years".

Berisford has no plans for new BSC bid

S. & W. Berisford, the commodity trader, has no immediate plans for renewing its bid for British Sugar Corporation, Mr Gordon Percival, Berisford's finance director, said yesterday.

Discussions are still going on between the Government and Berisford over the undertakings laid down in the Monopolies Commission report. Agreement on these conditions has taken longer than expected, and is now thought unlikely before the middle of next week.

Mr Percival said that if Berisford does make another bid, it will look at BSC's earnings over the next ten years, rather than the immediate future.

Associated Book drops sharply despite rally

By Margaret Pagano
Associated Book Publishers managed to recover in the second half from the fall in profits at midway to report full-year pretax profits of £1.9m for 1980.

This was still a fall of 55 per cent from the £2.95m made in 1979, but is an improvement on the plunge from £10.2m to £202,000 in the first six months.

The results were up to market expectations, and the shares gained 7p to 223p. The final dividend is unchanged at 6.7p gross, making a total payment of 10.7p gross.

The year was described by Mr Peter Allsop, the chairman, as "the most hostile for 50 years". He added that the commission of the recession, government spending cuts, high interest rates and the strength of sterling caused strains on trading.

But after remedial action taken by the group he believes that this year will see a return to 1979's level of profitability. The United States publishing business recorded £631,000 losses, but this should be reduced sharply this year. The trade book side of the business has been run down—with extraordinary costs of £175,000—so scientific and academic publishing is running smoothly and 1981 should see profits.

The first three months of this year have shown worldwide improvements over last. Although public spending on children's educational and library books is not likely to be increased, the group indicates that its streamlining will improve efficiency. Trading profits from the United Kingdom business dropped from £2m to £939,000 in 1980.

Thomas Ward expects record

By Rosemary Unsworth
Thomas W. Ward, the cement-tor motor distribution group, which is making an opposed £100m bid for Tunnel Holdings, expects its interim profits to show an improvement on last year's record £7.25m. It also predicts that there will be a 10 per cent increase in the total dividend, bringing it to 10.2p gross.

Ward points out in its offer document, published yesterday, that the offer price a share stands at 417p, based on Ward's 130p price yesterday. At the time the bid was made last month, Tunnel's shares were valued at 393p through the offer of seven Ward shares plus 750p for every four Tunnel "A" or "B" shares.

Ward, which controls 29.9 per cent of Tunnel, stresses its intention of developing the groups cement activities.

By using the 250,000 tonnes of unutilized cement production capacity within the two groups it would supply London and the South East to increase its overall market share from 20 to 22 per cent. At present the largest cement-using market in the United Kingdom—London and the South East—is not served to any significant extent by either Ward or Tunnel following the closure by Tunnel of its West Thurrock cement works in 1976.

Ward also questions the success of Tunnel's speciality chemicals business, which was expanded recently by the acquisition of Alcolac in the

United States for £10m. Mr Peter Frost, Ward's chairman, says in the document that although speciality chemicals last year represented 24 per cent of Tunnel's profit, its contribution fell to 14 per cent in the six months to September 1980.

He says that waste management, the group's other diversification, has made only losses. But he adds that neither activity would be sold if the takeover went through.

Mr Derek Birkin, Tunnel's chairman, says in response that he would include the group's full-year results with the defence document which will arrive in plenty of time for shareholders to consider it before Ward's first closing date on April 30.

Disposals boost Hongkong Land

Hongkong Land and Company's HK\$1.620m (£140.8m) extraordinary profit in 1980 included HK\$1,300m from its sale of shares in Hongkong and Kowloon Wharf and HK\$277m from its sale of Cannon House.

Mr Trevor Bedford, Hongkong Land's managing director, said. He told a press conference that the company had spent a little more than its windfall profit to acquire a 40 per cent shareholding in Jardine, Matheson.

Hongkong Land currently owns less than 1 per cent of Wharf, against about 8 per cent at the end of 1980. Net profits

International

from the sale of the remaining shares in 1981 were about HK\$130m, he added.

Mr Bedford said that Hongkong Land would have another "significant extraordinary profit contribution this year". Beginning with the 1980 accounts, the group will revalue about one third of its property portfolio each year. The surplus arising from this

last year was HK\$6.440m. This raised the assets per share to about HK\$9.50 while, on a total revaluation, assets per share would be about HK\$14 to HK\$15 a share.

Earlier the company announced that it was recommending an increase in the authorized share capital from 2,000m shares of HK\$2.50 each to 3,000m shares.

Mr David Newbagg, Hongkong Land's chairman, said that the Mandarin International Hotels subsidiary, and the group's restaurant operation, had increased profits by 83 per cent in 1980.

Volkswagen cuts dividend

The Volkswagen car group is cutting its 1980 dividend from DM10 to DM8 per DM50 nominal share.

In a short statement, which did not allude to the previous year's payout, the supervisory board said that it had proposed a dividend of DM8 per share

to shareholders for a payout amounting to DM192m (£40.8m).

The company did not publish any profit figures, but observers noted that the dividend cut had been foreshadowed by a 42.2 per cent drop in net earnings in the first nine months of 1980

Borel back in profit

Net group profits of the Jacques Borel restaurant and catering group were 31.9m francs (£2.5m) in 1980, compared with a loss of 7.7 francs. The profit includes a 30m franc capital gain from the sale of Sih Sofitel shares in Novotel. The parent company had a net profit of 15.5m francs against a loss of 29.2m francs

New chief for building society

Mr Cecil J. Baker has been elected chairman of the Alliance Building Society. He succeeds Mr L. Farrer-Brown, who has been chairman since 1975 and who remains a director. Mr Maurice Leadley is to succeed Mr Baker as deputy chairman. Mr Leadley was deputy chief general manager for nine years before his retirement in 1979.

Mr Mark Richardson has been made a director of Lazard Securities. Mr B. A. Wright, deputy general manager, life division, of the Sun Alliance Insurance Group from July 1. Mr A. E. Trickett, general manager of the life division, is to retire after 43 years' service with the group, but will continue as a director of Sun Alliance and London Assurance and its principal subsidiaries.

Mr Graham Harrison is now joint managing director of R. P. Martin Leasing.

Mr Richard Stephenson, chairman of Stephenson Shuter, has been elected president of the National Association of Formwork Contractors for 1981/82. The new vice-president is Mr C. O'Shea and Company, and the honorary treasurer is Mr M. E. Napier, director of G & S. Formwork Company.

Mr Alastair Ramsey has joined the main board of the Oulab Group.

Mr Tony Hammel has become a director of marketing, Northern Europe, of Dataproducts International.

CENTRAL GOVERNMENT BORROWING REQUIREMENT

	Monthly total £m	Cumulative total £m
1979-80	157	8,227
March 1980-81		
April	934	934
May	2,354	3,288
June	1,337	4,619
July	804	5,423
Aug	1,592	7,015
Sept	851	7,865
Oct	162	8,027
Nov	2,835	10,862
Dec	2,248	13,110
Jan	1,178	11,392
Feb	737	12,129
March	901	13,030

The Gas Oil Report

Following the opening of the International Petroleum Exchange, on April 6th Gas Oil futures are now traded in London.

To coincide with this, Inter Commodities Ltd have published "The Gas Oil Report"—an exhaustive study covering the product, its origins, its uses, market trends and influences, together with extensive statistical data.

Anyone with an interest in trading on the IPE will find it an invaluable source of reference. To obtain your copy simply send a cheque for £7 with the coupon below.

Inter Commodities Ltd, 3 Lloyd Avenue, London EC2N 3JL, Tel. 01-481 8827

I enclose me... copy(ies) of "The Gas Oil Report" with details of your services.

I enclose a cheque for... (£7.00 or \$16.00 per copy)

Name _____ Office _____ TSM _____

INTERCOMMODITIES LIMITED INCORPORATING LAMBERT & BENTLEY LIMITED

Helping you stay ahead.

Midland in 1980.

* Midland continued its traditionally strong position in lending to industry.

* Assistance to some customers beyond the normal lending criteria to meet temporary difficulties.

* Circumstances have resulted in bad debt provisions up from £12M. to £83M.

* Group profits reduced from 1979 record levels by £84M., but with improved earnings from International Banking.

* Whilst income benefited from higher interest rates operating costs increased significantly.

* Proposed capital levy will weaken the banks at a time when all strength is needed.

Sir David Barran, Chairman of Midland Bank Limited, comments in his statement to shareholders:

Interest rates and costs.

While our income benefited from an average base rate of 16.3% which was 2.6 percentage points higher than in 1979, there were substantial increases in many of the costs of our business. These included larger provisions for bad debts, higher interest on deposits and increased operating costs, especially for staff, which had a significant effect upon profitability.

These factors have had their greatest impact on our domestic banking operations, the backbone of our Group, and their effects have been offset to some extent by improved earnings from our international banking activities. The contribution to profit from this sector has increased despite strengthening competition and the effects of the appreciation of sterling over the year, which has reduced the value of overseas earnings expressed in sterling terms. Our related services activities have also increased their level and proportion of Group earnings.

Our commitment to industry.

Midland has traditionally held a strong position in lending to industry, and recessionary pressures on this sector of the economy caused problems in 1980. We have continued to assist some customers beyond the dictates of traditional lending criteria to meet temporary difficulties where there are grounds for optimism for the basic strength of the customer. We have thereby expressed our commitment to a strong banker-customer relationship, but at a cost, since in many cases, the inherent risks could not be matched by an appropriate interest margin. These circumstances have resulted in a high level of net new provisions for bad debts of £83 M. compared with £12 M. in 1979.

Windfall profits tax—a capital levy.

The imposition of the so-called 'windfall profits tax' by the Chancellor in his recent Budget is a most iniquitous example of political expediency. It is in fact a capital levy, based upon certain deposits and not profits. If enacted it will increase Midland



Bank Group's tax burden by £70 M.

I would suggest that there are grave implications stemming from the Chancellor's proposal: the bank's ability to support industry is impaired; the reliability of London as a major financial centre may be questioned; and, such proposals form a dangerous precedent for many industries

which may find themselves subject to an arbitrary levy applied retrospectively which would deplete the resources needed to support future growth.

Appropriate and forceful representations have been and will continue to be made but as no rational argument has been given to support the levy, the debate is not easy. Despite our continuing recognition of the various qualitative guidelines set out from time to time by the authorities and our support for many companies during the recession, the Government appears intransigent and the levy will weaken the banks at a time when all strength is needed.

Nevertheless, we will make every endeavour to ensure that the effects of the levy do not intrude more than is unavoidable in the development of the Group and in the service to our customers.

Dividend.

In lieu of a final dividend, the Directors have declared a second interim dividend of 1.4 op. per share giving a total in respect of 1980 of 21.5p. per share, compared with 20.0p. per share for 1979.

The Group's Results.

The 1980 consolidated profit of Midland Bank Group, before taxation, including £19M. in respect of profits from associated companies, amounted to £232M., a reduction of £84M. on the record achieved in 1979. After taxation, minority interests and extraordinary items, the profit attributable to shareholders was £169M.

We have continued to maintain a conservative and prudent approach towards the level of capital resources and this remains a major consideration in the further development of the Group's activities.

Sir David Barran's full statement and the report for 1980 are available from:
The Secretary, Midland Bank Limited, Head Office, Poultry, London EC2P 2BX.



Midland Bank Group

Stock Exchange Prices

ACCOUNT DAYS: Dealings Begin Today; Dealings End, April 30; Contracting Day, May 1; Settlement Day, May 11

§ Forward bargains are permitted on two previous days

[illegible]

